

Morton, Lulofs & Allen

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June 24, 1991

Scott O. Seery, CHMM
Hazardous Materials Specialist
ALAMEDA COUNTY HEALTH CARE SERVICES AGENCY
DEPARTMENT OF ENVIRONMENTAL HEALTH
80 Swan Way, Room 200
Oakland, California 94621

91 JUN 25 AM 10:20

RE: DALE SOBEK/6000 S CORPORATION
6000 Stevenson Blvd., Fremont
Our File: 042.lcl

Dear Mr. Seery:

You will find enclosed proposals for further testing of the foundry sand at 6000 Stevenson Boulevard. These proposals are submitted in response to your demand of May 17, 1991.

This case is, as you know, presently in litigation. Depositions will be taken in the latter part of July, and a voluntary settlement conference will be held on August 2nd. We will keep you advised of all developments in the case.

Very truly yours,

MORTON, LULOFS & ALLEN


Larry E. Lulofs

LEL:pcl

Enclosures

cc: Dale Sobek

ETIC CONSULTING ENGINEERS

22, 1991

QUOTE # 1

Dale Sobek
6000 S Corporation
42080 Osgood Road
Fremont, CA 94539

Reference: ETIC Proposal P-045-91

Dear Mr. Sobek:

This proposal is submitted at your request and pertains to pages 4 and 5 of the letter by Scott Seery to 6000 S Corporation.

INTRODUCTION

It is our understanding that you have an estimated 3,000 cubic yards of foundry sand stockpiled at your property. The Alameda County EHS has directed you to "submit for review a proposal that clearly outlines plans..." to test the soil according to the guidelines in Title 22 and EPA sampling protocol SW-846.

SCOPE OF WORK

ETIC will prepare a Soil Sampling Workplan that will address the issues of concern to the Alameda County EHS (ACEHS). The Workplan will be signed and stamped by the ~~senior licensed engineer.~~

We will negotiate with the ACEHS, on behalf of 6000 S Corporation as to the number of samples, pertinent analysis and sampling schedules.

The Workplan will be submitted within the timetable that the ACEHS has set.

COMPENSATION

The costs for the implementation of the scope of work described herein are \$1,750.

These costs are based upon the information provided to ETIC by Mr Sobek. Any necessary change in the scope of work resulting in a commensurate increase in costs will only be pursued after negotiation of a written change order.

AGREEMENT

~~We request~~ advance payment of \$750 in order to initiate our work. An additional \$750 will be due when we present 6000 S Corp. with the draft report. We will invoice the final \$250 when we complete the final signed and stamped Technical Report.

Authorized signature below represents an agreement with ETIC to perform the services as stated in this proposal and acceptance of terms herein.

6000 S CORPORATION

ETIC

SIGNATURE _____

SIGNATURE _____

PRINTED NAME _____

PRINTED NAME _____

DATE _____

DATE _____

Should you have any questions regarding this proposal please call me at (408) 244-7202.

Sincerely,

ENVIRONMENTAL TECHNOLOGY
INTERNATIONAL CORPORATION

Costas Orountiotis

Costas Orountiotis
Project Engineer
Environmental Compliance and Engineering

6/24/91 Discussion with COSTAS TESTING ESTIMATES WILL BE \$50,000-60,000 PLUS ETIC OBSERVATION AND REPORTING COSTS.

JUN-05-91 15:41 ID:JV LOWNEY ASSOCIATES TEL NO:415-328-6836 #230 P02

LOWNEY ASSOCIATES

Environmental/Geotechnical/Engineering Services

June 5, 1991
P4068, PA053002

6000 S CORPORATION
42080 Osgood Road
Fremont, California 94537

RE: PROPOSAL FOR CHARACTERIZATION
OF FOUNDRY SANDS,
6000 STEVENSON BOULEVARD,
FREMONT, CALIFORNIA

Attention: Mr. Dale Sobek

Gentlemen:

In accordance with your request, we are pleased to provide this proposal for characterization of foundry sands at 6000 Stevenson Boulevard in Fremont. As a basis for our proposal we have reviewed the information submitted to us, including pages 4 and 5 of a letter from the Alameda County Department of Health Services dated May 17, 1991, and our previous experience.

The site is currently occupied by several large commercial buildings with adjacent landscaped areas and paved parking lots. A dirt parking lot is located in the southwest portion of the site. We understand that there are approximately 3,000 cubic yards of foundry sands on the southwest portion of the site, which were imported to the site from the American Brass and Iron Foundry in Oakland. Results provided to us of initial analysis of a single sample of the foundry sand indicates total and soluble metals concentrations below their respective regulatory threshold limit concentrations.

The Department of Health Services has requested a proposal to conduct further testing of the subject waste foundry sands. Sampling strategies and analyses are to be performed in accordance with Article 11, 22 of the California Code of Regulations "Criteria for Identification of Hazardous and Extremely Hazardous Wastes," which incorporates protocol outlined in EPA SW-846. The purpose of this investigation is to characterize the foundry sands in a statistical manner consistent with the above named documents. If the sands are found to contain contaminants in excess of regulatory threshold values for hazardous waste, they may still be classifiable as a special waste pursuant to G22-66740 to G22-66744 of the California Code of Regulations.

Introduction

Project Description

Purpose

6000 S Corporation
June 5, 1991
Page 2

Based upon the available information and our discussions with you, our foundry sand characterization would consist of the following:

Detailed Scope of Work

CHARACTERIZATION OF FOUNDRY SANDS

1. Prior to initiating the investigation, a work plan will be submitted to the local and/or state regulatory agency outlining the proposed work and schedule. In addition, a health and safety plan for the work will be prepared.
2. Our field engineer or geologist will obtain soil samples at ten locations selected on a grid by random number generation. Sample depths will also be determined by random number generation. The samples will be obtained using the protocol outlined below.
3. We will analyze ten samples for total concentrations of the following metals, as outlined in the May 17, 1991 letter from the Department of Health Services: arsenic, beryllium, cadmium, total chromium, hexavalent chromium, copper, lead, manganese, mercury, nickel, selenium, and zinc. As stipulated in the letter, samples will be analyzed for soluble metals using WET extraction techniques only if total values exceed STLC maximum limits by a factor of ten or more. In addition, we will analyze the ten samples for polynuclear aromatic hydrocarbons by EPA test Method 8100, and five composites of two samples each for dibenzodioxins and dibenzofurans by EPA Test Method 8280.
4. A split soil sample will be analyzed for the above described metals and PNA's and a matrix blank will be analyzed for dioxius for quality control purposes.
5. The sampling and analytical data will be statistically analyzed in accordance with methods outlined in EPA SW-846 to evaluate whether enough samples have been collected to adequately characterize the waste. If necessary, we can provide a proposal for supplemental sampling. If detected concentrations are very low or very high, confidence limits will be calculated.

Work Plan, Health and Safety Plan

Stockpile Sampling

Laboratory Analysis

Statistical Analysis of Data

6000 S Corporation
 June 5, 1991
 Page 3

6. All sampling equipment will be thoroughly cleaned with an aqueous solution of tri-sodium phosphate and distilled water or steam cleaned. All soil samples would be collected in brass liners, the ends covered with aluminum foil and plastic end caps, securely taped, and placed on ice for transportation to a state certified lab.

Protocol

7. The data obtained from our analysis of the foundry sands will be presented in a report along with our conclusions and recommendations regarding the appropriate disposition of the waste.

Conclusions,
 Recommendations,
 and Report

We propose to perform the foundry sand characterization at the site for the fixed fee presented below in Table 1. The project cost is based upon reported conditions to date and access to the sampling locations with conventional hand sampling equipment. Analysis of individual samples for soluble components, if necessary, will be charged on a per sample basis as presented below. If you desire us to attend any meetings or issue any draft reports, this work will be done on a time and expense basis.

Options, Fees, and Terms

TABLE 1. Fixed Fee For Foundry Sand Characterization,
6000 Stevenson Boulevard,
Fremont, California

| <u>Task/Laboratory Response Time</u> | <u>Fixed Cost</u> | | | <u>Authorization</u> |
|--|-------------------|---------------|--------------|----------------------|
| | <u>3 Week</u> | <u>1 Week</u> | <u>3 Day</u> | |
| TASK A: Foundry Sand Characterization (Dioxin can only be on three week response) | \$15,900 | | | _____ |
| • Additional STLC Extraction (per sample) | \$100 | \$150 | \$175 | _____ |
| • Additional Metal Analysis (per sample, per metal), except CrVI | \$30 | \$40 | \$50 | _____ |
| • Additional CrVI Analysis (per sample) | \$60 | \$90 | \$105 | _____ |
| • Additional Dioxin Analysis (per sample) | \$1,200 | --- | --- | _____ |
| • Additional PNA Analysis (per sample) | \$110 | \$165 | \$195 | _____ |

(Please indicate desired laboratory response time.)

6000 S Corporation
June 5, 1991
Page 4

Please sign one copy of this proposal and return it to us as authorization to proceed. We are prepared to begin work within one week of receipt of the signed authorization and will take approximately two weeks following receipt of analytical reports to complete our characterization and issue a report. Preliminary information would be made available to you as the work is being completed, however. We will require a \$5,000 retainer to begin work, with half the remaining balance due upon our receipt of laboratory data and the remaining balance due 14 days after the final invoice is issued.

Authorization and Schedule

We make no warranty, expressed or implied, except that our services will be performed in accordance with environmental engineering principles generally accepted at this time and location.

Warranty

We thank you for your consideration of our firm in requesting this proposal. If you have any questions on any portion of the scope of work or any other aspect of this proposal, please call.

Very truly yours,

LOWNEY ASSOCIATES


Mike Tietze
Project Environmental Geologist


Glenn A. Romig, P.E.
Vice President

GAR:MT:PMLe

Copies: Addressee (3)

AUTHORIZATION

BY: _____
TITLE: _____
DATE: _____

SCHEDULE OF CHARGES, TERMS AND CONDITIONS OF AGREEMENT

PERSONNEL CHARGES

Charges for employees are computed by multiplying the total direct salary cost of personnel by 2.5. The total direct salary cost shall be a sum equal to the direct payroll cost (computed on a typical annual basis and expressed as an average hourly rate) plus payroll taxes, insurance incident to employment, holidays, sick leave, vacations, etc. Travel time, up to a maximum of eight hours per day, is charged in accordance with the foregoing schedule for personnel. Services performed under lump sum contracts will be charged at the agreed lump sum.

EQUIPMENT CHARGES

| | |
|---|------------------------|
| Axles Portable Soil Auger: | \$18.00 per hour |
| Automotive Equipment | |
| Mobile Laboratory with transportation control equipment and vehicles, | |
| Field Vehicle | \$5.75 per hour |
| Sampling Truck | \$5.75 per hour |
| Laboratory Equipment, per employee | \$20.00 per hour |
| Nuclear moisture-density gauge | \$11.50 per hour |
| Organic Vapor Monitor, | \$6.50 per test |
| | \$75.00 per day |
| | \$40.00 per half day |
| Slope Indicator Incl. Inclinometer, | \$50.00 (4 hours min.) |
| | \$80.00 (8 hours) |
| Engineering Computer Services | |
| Use of programs, computer and peripheral equipment (includes purchase, development or maintenance of the programs), | \$14.50 per hour |
| Centrifugal Pump | \$15.00 per day |
| Pump Hoses | \$5.00 per day |
| PVC Developing Pump | \$10.00 per day |
| Surge Block | |
| 4-inch | \$10.00 per day |
| 2-inch | \$5.00 per day |
| Teflon Bailer | \$7.50 per day |
| Large Diameter PVC Bailer | \$10.00 per day |
| Depth Sounder | \$15.00 per day |
| pH/re Meter | \$10.00 per day |
| Temp. Meter | \$5.00 per day |
| Sampling Rod | \$1.00 per day |
| Cooler | \$2.50 per day |
| Submersible Pump | \$30.00 per well |
| PVC Tubing | \$1.00 per foot |
| Hand Auger | \$15.00 per day |
| Slide Hammer Sampler | \$7.50 per day |
| Comarator | \$20.00 per day |
| Surveying Equipment | \$35.00 per day |
| Hand Radio | \$5.00 per hour |
| 35 mm Camera | \$10.00 per day |
| Video Camera | \$5.00 per hour |
| Gloves | \$2.50 per pair |
| Lock and Key | \$6.50 each |
| Brass Liners | \$2.50 each |
| Distilled Water | \$1.00 per gallon |
| Blow Torch | \$3.50 per hour |
| Beach Electric Drill | \$3.75 per hour |
| Pressure Transducer | \$10.00 per day |
| Data Logger | \$12.50 per day |
| Port Driver | \$50.00 per day |
| Vacuum Pump | \$150.00 per day |
| Word Processing Equipment | \$10.50 per hour |
| Portable Computer | \$10.50 per hour |

of \$1,000,000.00, and will furnish certificates thereof upon request. JVLA assumes the risk of damage to its own supplies and equipment. If Client's contract places greater responsibility upon JVLA or requires further insurance coverage, JVLA will, if directed by Client, take out additional insurance (if procurable) to protect JVLA of Client's expense; but JVLA will not be responsible for property damage from any cause, including fire and explosion, beyond the amounts and coverage of its insurance. JVLA will not be responsible for any loss, damage, or liability arising from any negligence on the part of Client, Client's agents, staff, and other consultants employed by Client. In the performance of work performed by JVLA, JVLA will take all reasonable precautions to avoid damage or injury to subterranean structures or utilities. The Client agrees to hold JVLA harmless for any damages to subterranean structures which are not called to JVLA's attention and correctly shown on the plans furnished.

Client agrees that it will defend, indemnify and hold harmless JVLA, its officers, employees, subcontractors, and subcontractors from any claim, suit, loss, cost, damage, expense, including attorney's fees, or liability (hereinafter collectively called "liability"), assuming only such liability as may arise out of the sole negligence of JVLA in the performance of such services under this agreement; and for such negligence, Client agrees that the liability of JVLA will be limited to the terms, conditions and dollar limits of JVLA's general, automotive or professional insurance coverage, as applicable, in effect at the time of any claim. Client shall give written notice to JVLA of any claim of negligence, error or omission within one (1) year after the completion of the work performed by JVLA. Failure to give notice herein required shall constitute a waiver of said claim by Client.

Client understands that in seeking the professional services of JVLA, Client may be requesting JVLA to undertake unreasonable obligations for Client's benefit involving the presence or potential presence of hazardous, toxic or pollutive substances; therefore Client agrees to defend, indemnify, and hold harmless JVLA from any liability for property damage, personal injury including death, or any other damages from any cause whatsoever, excepting the willful misconduct of JVLA in the performance of services under this agreement as a result of or in connection with the presence, discharge, release, or escape of contaminants of any kind. JVLA will in no event be liable for consequential damages, which shall mean all damages other than direct damages. Direct damages are defined herein as damages incurred by Client solely as a result of JVLA's nonconformity to customarily accepted professional practices and procedures. Direct damages include the cost of correction or replacement of unusable, defective or damaged equipment, buildings or structures (or parts thereof) which were designed, engineered, purchased, built or repaired solely as a result of JVLA's negligence. Client agrees, due to the extraordinary risks of hazardous materials projects, to limit JVLA's liability for direct damages such that the total aggregate liability of JVLA to all those named shall not exceed \$50,000 or JVLA's total fee for services rendered on this project, whichever is greater. All other damages such as loss of use, profits, and like losses are consequential damages for which JVLA is not liable.

SCOPE AND EXECUTION OF SERVICES

Client recognizes that there are risks of earth movement and property damage inherent in Client's land development and/or repair activities, and that JVLA has not been authorized to perform the exhaustive and economically unfeasible investigations necessary to eliminate such risks. Client and JVLA expressly agree that all of the consequences of such risks are totally assumed by Client.

JVLA will serve the Client by providing professional engineering counsel and technical advice. This counsel and advice is based on information furnished by the Client and data collected by JVLA. The Client will make available to JVLA all known information regarding existing and proposed conditions of the site, including the location of all underground utilities and installations, and will immediately transmit any new information which becomes available or any change in plans. When hazardous materials are known, assumed or suspected to exist at a site, JVLA may be required by law to take appropriate precautions to protect the health and safety of its personnel. Client hereby warrants that if he knows or has any reason to assume or suspect that hazardous materials may exist at the project site, he has so informed JVLA and warrants that he has done his best to inform JVLA of such known or suspected hazardous materials' type, quantity and location. Client and JVLA agree that JVLA shall not be responsible for any soil or ground water conditions not encountered during the course of the services nor shall JVLA have any liability or responsibility for losses resulting from inaccurate or incomplete information supplied by Client, and Client agrees to indemnify and hold harmless JVLA from any such losses.

JVLA shall not be responsible for general safety on the job or the work of other contractors and third parties.

JVLA will diligently proceed with the work contracted for and will submit its report in a timely manner, but it is expressly agreed and understood that JVLA shall not be held responsible for delays occasioned by factors beyond its control, nor by features which could not reasonably have been foreseen at the time of the execution of the agreement between the parties. Therefore JVLA will not be responsible for any damages, consequential or otherwise, caused by delays in the completion of its work. JVLA makes no warranty regarding time of completion of its duties under this agreement.

If the Client is a corporation, the individual or individuals who contract with JVLA on behalf of the Client warrant that they are duly authorized agents of the Client and are empowered to so contract.

In the absence of prior contractual arrangements, the Client will be entitled to six copies of each technical report. The Client may later obtain additional copies of the reports at costs based upon the then current fee schedule.

In the event that JVLA submits a proposal including these Schedule of Charges, Terms and Conditions of Agreement, to provide professional services and the Client authorizes the work by means of a Purchase Order or other instrument of contract, it is expressly agreed that these Schedule of Charges, Terms and Conditions are part of the contractual agreement.

TERMINATION

In the event that the Client requests termination of the services prior to completion of a report, JVLA reserves the right to complete such analyses and records as may be necessary to place its files in order and, where considered necessary to protect its professional reputation, to complete a report on the services performed to date. A termination charge to cover the costs thereof in an amount not to exceed 10 percent (10%) of all charges incurred up to the date of the stoppage of the services may be made at the discretion of JVLA.

OWNERSHIP OF DOCUMENTS

All reports, boring logs, field data, field notes, laboratory test data, calculations, estimates, and other documents prepared by JVLA, as instruments of service, shall remain the property of JVLA. Client agrees that all reports and other work furnished to the Client or its agents, which is not paid for, will be returned upon demand and will not be used by the Client for any purpose whatsoever.

RIGHT OF ENTRY

The Client will provide for right of entry of JVLA personnel and all necessary equipment, in order to complete the work. While JVLA will take all reasonable precautions to minimize any damage to the property, it is understood by Client that in the normal course of work some damage may occur, the correction of which is not part of this agreement.

DISCOVERY OF UNANTICIPATED HAZARDOUS MATERIALS

Hazardous materials or certain types of hazardous materials may exist at a site where there is no reason to believe they could or should be present. JVLA and client agree that the discovery of unanticipated hazardous materials constitutes a changed condition mandating a renegotiation of the scope of work or termination of services. JVLA and client also agree that the discovery of unanticipated hazardous materials will make it necessary for JVLA to take immediate measures to protect human health and safety, and/or the environment. JVLA agrees to notify client as soon as practically possible should unanticipated hazardous materials be encountered. Client encourages JVLA to take any or all measures that in JVLA's professional opinion are justified to preserve and protect the health and safety of JVLA's personnel and the public, and/or the environment, and client agrees to compensate JVLA for additional cost of such work. In addition, client waives any claim against JVLA, and agrees to indemnify, defend and hold JVLA harmless from any claim or liability for injury or loss arising from JVLA's encountering of unanticipated hazardous materials or suspected hazardous materials. Client also agrees to compensate JVLA for any time spent and expenses incurred by JVLA in defense of any such claim, with such compensation to be based upon JVLA's prevailing fee schedule and expense reimbursement policy.

AQUIFER CONTAMINATION

Subsurface sampling may result in unavoidable contamination of certain subsurface areas, as when a probe or boring device moves through a contaminated area, linking it to an aquifer, underground stream, or other hydrous body not previously contaminated and capable of spreading hazardous materials off-site. Because nothing can be done to eliminate the risk of such an occurrence, and because subsurface sampling is a necessary aspect of the work which JVLA will perform on client's behalf, client waives any claim against JVLA, and agrees to defend, indemnify and hold JVLA harmless for injury or loss which may arise as a result of alleged cross-contamination caused by sampling. Client further agrees to compensate JVLA for any time spent or expenses incurred by JVLA in defense of any such claim, in accordance with JVLA's prevailing fee schedule and expense reimbursement policy.

DISPOSAL OF SAMPLES AND DRILL CUTTINGS

In the event that soil, rock or water and/or other samples obtained from the project site are contaminated by hazardous substances, JVLA shall employ special precautions in the containment, labelling and storage of such samples. Such samples and drill cuttings obtained at the project site are the property of the client. JVLA shall hold such samples no longer than 45 calendar days after the issuance of any document that includes the data obtained from them; drill cuttings will be left on site in appropriately labeled containers. It is the client's responsibility to select and arrange for lawful disposal procedures, that is, procedures which encompass removing the contaminated samples and cuttings from JVLA's custody or from the site and transporting them to a disposal site. Due to the risks to which JVLA is exposed, Client agrees to waive any claim against JVLA, and to defend, indemnify and hold JVLA harmless from any claim or liability for injury or loss arising from JVLA's containing, labelling, transporting, testing, storing or other handling of contaminated samples or cuttings. Samples which are not contaminated, based on available information and JVLA's professional opinion, will be disposed of 45 calendar days after issuance of JVLA's report unless Client advises otherwise.

MISCELLANEOUS CHARGES

Printing and reproduction, special and consultant fees, permits, insurance, fees, telegrams shipping, equipment rental and other similar project-related costs are billed at cost plus 18.5 percent. Meals and lodging are billed at cost. Telephone, reproduction, and computer control of project costs are each charged at 1.5 percent of the project cost. Copies of previously issued reports of up to 50 pages will be billed at \$35.00 for the first copy and \$15.00 for each additional copy. Specific quotes will be provided for larger reports. Fax transmissions will be charged at \$1.85 per sheet.

TERMS OF PAYMENT

The Client's obligation to pay for the services contracted is in no way dependent upon the Client's ability to obtain financing or upon the Client's successful completion of the project. In the absence of specific arrangements to the contrary, monthly statements will be submitted. Such statements will be due and payable when rendered. To be recognized, any dispute over charges must be claimed in writing within thirty (30) days of the billing date. Liquidated damages equal to one and one-quarter percent (1.25%) per month from the date of statement will be added to any statement which remained unpaid more than thirty (30) days from the statement date. If suit is instituted to collect any sum due, Client shall be liable for such sums as the court may adjudge reasonable for attorney's fees and other costs in such suit. It is expressly agreed that votes for any such suit shall be, at the discretion of J.V. Lowney & Associates (hereinafter referred to as JVLA) in any court of competent jurisdiction located within the County of Santa Clara, State of California. JVLA may at its option withhold delivery of reports and other data pending receipt of payment of all services rendered.

LIABILITY

General - JVLA is protected by Worker's Compensation Insurance (and/or Employer's Liability Insurance), and by Public Liability Insurance for bodily injury and property damage with a combined limit