September 13, 1996

PROTECTION

96 SEP 16 PM 4: 05

389.0201.001

William D. Wick, Esq. Crosby, Heafey, Roach & May 1999 Harrison Street Oakland, California 94612-3573

Subject: Kmart/Former American National Can Co. and Ekotek Sites Oakland, California

Dear Bill:

On behalf of Kmart Corporation, this letter is submitted in response to your further inquiries, contained in your letter of August 30, 1996, regarding subsurface work and site conditions on the Kmart site. In preparing this response, we have sought assistance from American National Can Company ("ANC"), its consultant Rust Environment and Infrastructure, Inc. ("Rust") and High Street Associates ("HSA"), the project developer.

In response to your first and second questions, and as noted in the August 23, 1996, letter to you from Rust and PES Environmental, Inc. ("PES"), ANC and Rust evaluated potential contributions to subsurface water levels from utilities and structures on their site. Rust has prepared a letter to me describing their work. A copy is enclosed (Attachment 1) for your information and for review by Erler & Kalinowski, Inc. ("EKI"). Rust has also provided two drawings depicting historical subsurface utilities related to the former ANC facility (Attachments 2 and 3). Kmart did not perform investigations at the site related to these matters.

Rust's letter also provides information related to your third question. They note that ANC removed only underground storage tanks and associated piping, none of which were in the proximity of Area 3, adjacent to the Ekotek site.

Kmart took possession of the site after the ANC facilities had been demolished and removed. It did not remove subsurface structures or utilities. HSA has assisted in responding to your third question by asking Plant Reclamation, HSA's demolition contractor, to prepare a letter describing the subsurface work it performed during removal of the former ANC facility from the site. Enclosed is a copy of Plant Reclamation's letter (Attachment 4).

In response to your fourth question, the enclosed Attachment 5 is a drawing of Kmart's storm water drainage system. It is my understanding that the system was built as designed.

William D. Wick, Esq. September 13, 1996 Page 2

In response to your fifth question, enclosed is a drawing of Kmart's landscape irrigation system (Attachment 6). The individual systems are on timers, as is typical of such systems. Kmart's landscape contractor provides ongoing maintenance of the landscaping, which includes adjustment of the irrigation cycles to match seasonal conditions and plant needs (i.e., evapotranspiration).

Kmart, ANC and HSA recognize the importance of EKI's review of this information in advance of your September 30 meeting with staff of the Regional Board and Alameda County Health. EKI's need to evaluate this information for its implications to ongoing investigations and remedy on the Ekotek site is understandable. However, although you correctly state in your August 30 letter that the mound "assertedly occurs underneath the property border," repeated monitoring events have shown the highest elevations of the mound, and consequently the likely source of the mound, do not occur interior of the Kmart site, nor underneath the property boundary. Rather, the highest mound elevations are observed in wells in the interior of the Ekotek property, in the vicinity of documented subsurface structures and pipelines. Further, monitoring for years has shown the mound has persisted, irrespective of removal of the ANC facility and its subsurface features, and irrespective of construction of the Kmart facility.

I again offer to discuss these matters with EKI if that would be helpful.

Yours very truly,

PES ENVIRONMENTAL, INC.

Robert S. Creps, P.E. Principal Engineer

Attachments:

Attachment 1: Letter entitled Subsurface Structures, Former ANC Oakland Property, from E. Alusow of Rust to R. Creps, dated

September 11, 1996

Attachment 2: Drawing entitled American Can Co., Oakland, CA. Drawing

No. AOK-8061, dated September 28, 1983.

Attachment 3: Drawing entitled Oakland Plant 099, Underground Piping on

Plot Plan, dated March 1971

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Attachment 4: Letter entitled Former American National Can Facility, 3801 East 8th Street, Oakland, California, from Fred Glueck of Plant Reclamation to James M. Kessler, dated September 12, 1996.

Attachment 5: Drawing entitled *Utility Plan, Store #4944 Drawing No. C-4.0*, dated March 7, 1995.

Attachment 6: Drawing entitled Irrigation Plan, Drawing No. I-1.0, dated February 7, 1995.

cc: Dave Bruegel
Rich Williams
Jim Kessler
Pat Cafferty
Ed Alusow
Steve Morse
Sum Arigala
Barney Chan

RUST Rust Environment & Infrastructure Inc.

A Rust International Company 12 Metro Park Road Albany, NY 12205 Phone 518.458.1313 Fax 518.458.2472

ATTACHMENT 1

September 11, 1996

Robert S. Creps, P.E. Associate Engineer PES Environmental, Inc. 1682 Novato Boulevard, Suite 100 Novato, CA 94947

RE:

Subsurface Structures

Former ANC Oakland Property

Dear Mr. Creps:

This letter is an attempt to provide you with information to respond to William D. Wick's letters of June 11 and August 30, 1996. In reviewing Mr. Wick's five questions, as presented in his August 30 letter, it is obvious that questions (4) and (5) would be most appropriately answered by Kmart or High Street Associates. Of the other questions, this letter will provide information available to Rust Environment & Infrastructure (Rust) and American National Can Company (ANC) with the aim of satisfying Mr. Wick's requests.

Questions (1) and (2): ANC had available certain drawings depicting the locations of subsurface structures such as building basements, sumps, storm and sanitary sewer lines, water mains, and other buried structures. Therefore, no investigation was conducted to locate any other subsurface structures. No previously unidentified structures were encountered during soil and groundwater investigations (sample borings and monitoring well installation), or during extensive soil excavation that took place in conjunction with environmental remediation activities. Copies of drawings showing surface and subsurface structures, sewers, and pipelines relative to the locations of predemolition buildings and property lines are enclosed with this letter.

In September 1993, a one-day test was conducted to measure the volume of water passing through the water meter located at the EBMUD service connection on East 8th Street. The test consisted of recording the meter reading on September 29 and again on September 30. The difference between the two readings was 160 cubic feet, or about 1200 gallons. This was considered to be in the range of normal use within the plant. No further investigations were conducted of subsurface structures.

Question (3): ANC, for its part, removed only underground storage tanks and associated piping from its property. None of the UST's was in the area of the property in proximity to Ekotech Lube, designated as Area 3. The closest UST was between 200 and 300 feet from the property line, and

Robert S. Creps, P.E. September 11, 1996 Page 2

well beyond the subsurface region where groundwater is affected by the groundwater mound beneath the Ekotech property. No other subsurface structures were removed by ANC.

If Rust can be of further assistance in these matters, please do not hesitate to call me.

Sincerely,

Edward W. Alusow Senior Project Manager

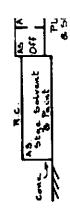
Enclosures

cc:

- R. Rivetna
- P. Cafferty, Esq.

ward W. aluson

D. Bruegel, Esq.



ATTACHMENT 2

THIS PLAN FOR INSURANCE COMPANY
UNDERWRITING PURPOSES AND USE ONLY

AMERICAN CAN CO.

HPR DEPT

OAKLAND, CA.

SCALE DATE DRAWING N°:

OAKLAND FACTORY B/P-826 (1-1918) PW 099 0028 OAKLAND PLA UNDERGROUND PING ON PLOT PLAN



ATTACHMENT 4

PLANT RECLAMATION

September 12, 1996

Mr. James M. Kessler Partner High Street Associates 100 Bush St. 24th Floor San Francisco, California 94104

RE: Former American National Can Facility

3801 East 8th Street Oakland, California

Dear Mr. Kessier

Plant Reclamation performed the dismantling of the American National Can (ANC) facility in Oakland, California for The Martin Group/High Street Associates. Per demolition permit No. B9400366 Plant Reclamation demolished all above and below grade improvements and cleared the site. Part of our responsibility was removing and capping off abandoned utility systems. The owner of the site, ANC, was responsible for disconnection of all services.

We, as the contractor, worked with the City of Oakland, East Bay Municipal Utility District, P G & E and the Fire Department to locate, Identify and cap those services which served the property.

Based on the data and drawings provided at the time of the project, we removed all underground utilities that were ensite, service was shut-off by all the providers and the service lines were capped at property line.

If you have any questions, please call me.

Fred Eluen

Sincerely

Fred Glueck

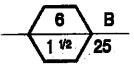
President

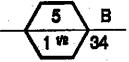
ATTACHMENT 5

CONTROL OF PLAN

STORE AND STORES

KNALL STO





SIGN IS DIAGRAMMATIC. ALL PIPING, ETC., SHOWN WITHIN PAYED AREAS ARE SIGN CLARIFICATION ONLY AND SHALL BE ED IN PLANTING AREAS WHENEVER POSSIBLE

CTOR SHALL ADJUST THE SPRAY PATTERNS PRIGATION HEADS TO INSURE ABSOLUTELY SING, RUN-OFF, OR OVER SPRAY ONTO, NT HARDSCAPE AND PRIVATE PROPERTY.

L ADJUST THE SPRAY PATTERN BY USING GATION HEAD'S ADJUSTING SCREW.

ATTACHMENT 6

IRRIGATION PL/



HOB No.: 2086-194-04 SCALE: AFF DESIGNED BY HRY

DRAWN BY NEY

DATE: 02/07/95

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OF 16 SHEETS

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