ANTON GEOLOGICAL

October 30, 2002

Donald L. Jones Company
Attention: Carey James
2081 Adams Avenue
San Leandro, California 94577

LIMITED SOIL SAMPLING AND ANALYSIS
PAPERMILL PROPERTIES – FOUNDATION AND CRIPPLE WALL ADDITION
Southwesterly Corner of Powell Street and Doyle Street
Emeryville, California
Anton Geological Project No. 012-002

INTRODUCTION

In accordance with your request, Anton Geological has performed limited sampling and analysis of near-surface soils beneath the existing single-story building located at the southwestern corner of Powell Street and Doyle Street in Emeryville, California. The purpose of this work has been to screen a selected area of soil beneath the building for the presence of asbestos and lead prior to disturbance by a contractor for future renovation activities. At this time, we understand that the contractor proposes to construct a two-foot wide by 90-foot long by one-foot deep foundation and associated cripple wall just westerly of the center of the building.

In preparing this confirming letter, we have reviewed a prior Phase I Preliminary Site Assessment prepared by Harza Kaldveer in 1993[1], and have discussed the project with you. The cited environmental assessment included a review of historical aerial photography dated after 1953 and research of historical on-site uses dating back to the late 1970s via an interview with the current tenant at the time of the report. The assessment indicates that, according to the prior owner of the property, previously identified sources of asbestos were removed from the building with the exception of some pipe insulation along inaccessible chases in the attic. Historical city directories, Sanborn fire insurance maps or building permits were not reviewed in order to obtain information concerning on-site tenants and activities prior to the late-1970s. Based upon the limited historical information reviewed together with their reconnaissance of the property and consideration of government agency database information, Harza Kaldveer identified no environmental concerns on the subject property.

Harza Kaldveer also noted that an unused underground heating oil tank is located within an adjacent City of Emeryville right-of-way, but stated that heating oil tanks are not required to be removed. However, it is Anton Geological's understanding of State law that while heating oil tanks are not required to be *registered*, they are required to be removed if unused. Further, environmental testing of soils is required during the removal of underground heating oil tanks, and additional subsurface investigation and/or remediation may be required if a leak from a heating oil tank is confirmed by laboratory analysis. However, a heating oil tank leak, if present at this potential contaminant source, would not be likely to impact the immediate area of the proposed renovation work.

[1] Harza Kaldveer, *Report Submittal, Phase I Preliminary Site Assessment for Papermill, Emeryville, California*, July 1993.

SITE CONDITIONS

The subject building is presently occupied by a small product assembly, packaging and distribution business. The ventilated crawlspace beneath the single-story, brick and wood-frame building is approximately three to four feet in height. The areas immediately surrounding the proposed cripple wall location generally were found to consist of unpainted wood piers and joists with series of concrete pier block foundations running in an east-west direction. Both suspended and partially buried apparent water and sewer pipes were noted near the approximate northern and southern end locations of the proposed cripple wall location.

In general, the soils beneath the building were found to consist of dry and dusty fine sandy silts with some clay. Some areas included gravel, brick and concrete fragments at the surface. The areas near the northern and southern ends of the proposed cripple wall location (and beneath/adjacent to pipe chases) were noted to be slightly moist and included a surficial crust/dust of white fine material.

SAMPLING AND ANALYSIS

In accordance with your request, Anton Geological hand-collected four discrete near-surface samples along the footprint of the proposed cripple wall foundation. The samples were collected from the upper 12 inches of soil from each location using a pre-cleaned scoop and plastic sample containers. The approximate locations of the samples with respect to the building foundation plan are shown on Plate 1, Sample Plan.

The samples were transported under documented chain-of-custody to Scientific Laboratory of California, a State-certified analytical laboratory. The laboratory was instructed to analyze the soil samples individually for the following: (1) asbestos by polarized light microscopy (PLM) methods; and, (2) total lead by the EPA 3050/7420 Method; and, (2) asbestos by polarized light microscopy (PLM) methods. Additionally, Anton Geological submitted a portion of white surface crust from the northern-most sample location for additional scrutiny by the laboratory for asbestos under PLM methods.

The laboratory reported no detectable concentrations of asbestos in the samples tested. The three-most southerly samples revealed total lead concentrations ranging from 50 to 150 parts-per-million (ppm). The northern-most soil sample revealed a total lead concentration of 2,700 ppm.

DISCUSSION AND CONCLUSIONS

None of the samples revealed any trace of asbestos. The white surficial crust noted at the northern and southern most sample locations would therefore most likely appear to be a mineral deposit left from the evaporation of water from slow leaks and/or condensation along the pipe chases.

All four soil samples revealed lead concentrations above typically expected "background" concentrations of about ten to 25 ppm for California soils. However, the three southern-most samples (ranging from 50 to 150 ppm) are well below the Federal EPA Preliminary Remediation Goal (PRG) of 400 ppm for residential soil, which also is a soil criteria set by HUD for residential projects. The northern-most

sample (2,700 ppm) exceeds the California Code of Regulations (CCR) Total Threshold Limit Concentration (TTLC) criteria of 1,000 ppm for hazardous waste.

The horizontal and vertical extent of lead contamination beneath the subject building is currently undefined, except in the southerly direction. There is a possibility that the contamination may not necessarily be extensive, and may represent a very small impacted area identified by chance. However, for the purpose of the cripple wall construction work, all soils located within the approximate northern 30 feet of the length of the wall should be considered and treated as hazardous waste at this time.

The source of the lead contamination is unknown. The previous Phase I Preliminary Site Assessment report for the subject property only researched and considered land uses during and after the 1970s. Therefore, the source of lead contamination may be from one or more of the following:

- Previous on-site commercial or industrial activities that occurred prior to the 1970s.
- The placement of contaminated fill material prior to the construction of the subject building.
- The presence of lead-based paint. (Since no painted surfaces were observed within the crawlspace area, this potential source is considered to be least likely).

Additionally, it should be noted that the nearby underground heating oil tank and other contaminated sites within the vicinity of the subject property as identified in the referenced 1993 Phase I Preliminary Site Assessment Report are not considered likely to have impacted the upper foot of soils beneath the subject building.

RECOMMENDATIONS

Based upon the limited soil sampling work and review of documentation provided, Anton Geological recommends the following:

- For the purpose of the cripple wall construction work, all soils located within the northern approximate 30 feet of the length of the proposed wall should be treated as hazardous waste, including proper handling and disposal by appropriately trained personnel and/or avoidance during construction work.
- The tenants/visitors of the building may require notification of the presence of on-site hazardous substances in accordance with California's Proposition 65.
- If an attempt to identify the source of lead contamination is required for your purposes, an ASTM-standard Phase I Environmental Site Assessment should be performed. ASTM compliant environmental assessments generally require identification of historical on-site uses dating back to 1940 or prior to first development, whichever is greater.
- Upon request, Anton Geological could perform additional soils testing in order to identify the lateral and vertical extent of lead contamination on the subject property.

SPECIAL TERMS, CONDITIONS AND LIMITATIONS

This report has been prepared for the Donald L. Jones Company for the purpose of providing a contractor with information about the condition of a limited area of near-surface soils beneath the subject building. This report is not intended to be used by any other entity for any other purpose.

Anton Geological will keep confidential and not disclose to any person or entity, without prior written consent of the client, any data or information provided by the client or generated in conjunction with the performance of the study. Provisions of confidentiality shall not apply to data or information obtained from the public domain or acquired from third parties not under obligation to the client to maintain confidentiality.

Our services are performed in a manner consistent with the level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions. Our conclusions are our opinions based upon the cited reference materials, our conversations, the laboratory data and reconnaissance. No warranty regarding the accuracy of our opinions or conclusions is expressed or implied.

STATEMENT OF QUALIFICATIONS

Anton Geological is a western U.S. environmental and geological consulting firm based in northern California. Anton Geological was founded by the firm's president, Kenneth Anton, in 1996. Anton Geological's environmental projects have typically involved multi-acre properties of industrial, commercial, agricultural and residential subdivision development for a number of banks, land developers, government agencies, and lending/financial institutions. Anton Geological is presently a consultant for other northern California environmental and geotechnical firms, as well as for a national property assessment corporation. A partial list of noteworthy clients includes: AMRESCO Commercial Finance, Inc., Hawaii & San Francisco Development Company, the United States Department of Agriculture, and Williams Communications.

Prior to starting Anton Geological, Mr. Anton served as a geologist at a West Sacramento environmental and geotechnical consulting firm. Mr. Anton holds a Bachelor of Science degree in Geology from the University of California at Davis, and is a Registered Geologist in the States of Arizona, California, Idaho, Oregon, Washington and Wyoming. Mr. Anton is a Member of the Association of Engineering Geologists (AEG). Mr. Anton also is a California Registered Environmental Assessor, a Nevada Certified Environmental Manager, an AHERA-certified asbestos building inspector, and is certified for hazardous waste operations and supervisory training in accordance with OSHA 29 CFR 1910.120. Mr. Anton has performed hundreds of Phase I and II environmental assessments in California, Colorado, Nevada and New Mexico, and has provided professional peer review consultation services for environmental projects located across the southern and eastern United States.

The following plates and appendix are attached and complete this report:

Plate 1	- Plot Plan
Appendix	- Laboratory Data Report

Please contact Anton Geological if you have any questions or comments regarding this report.

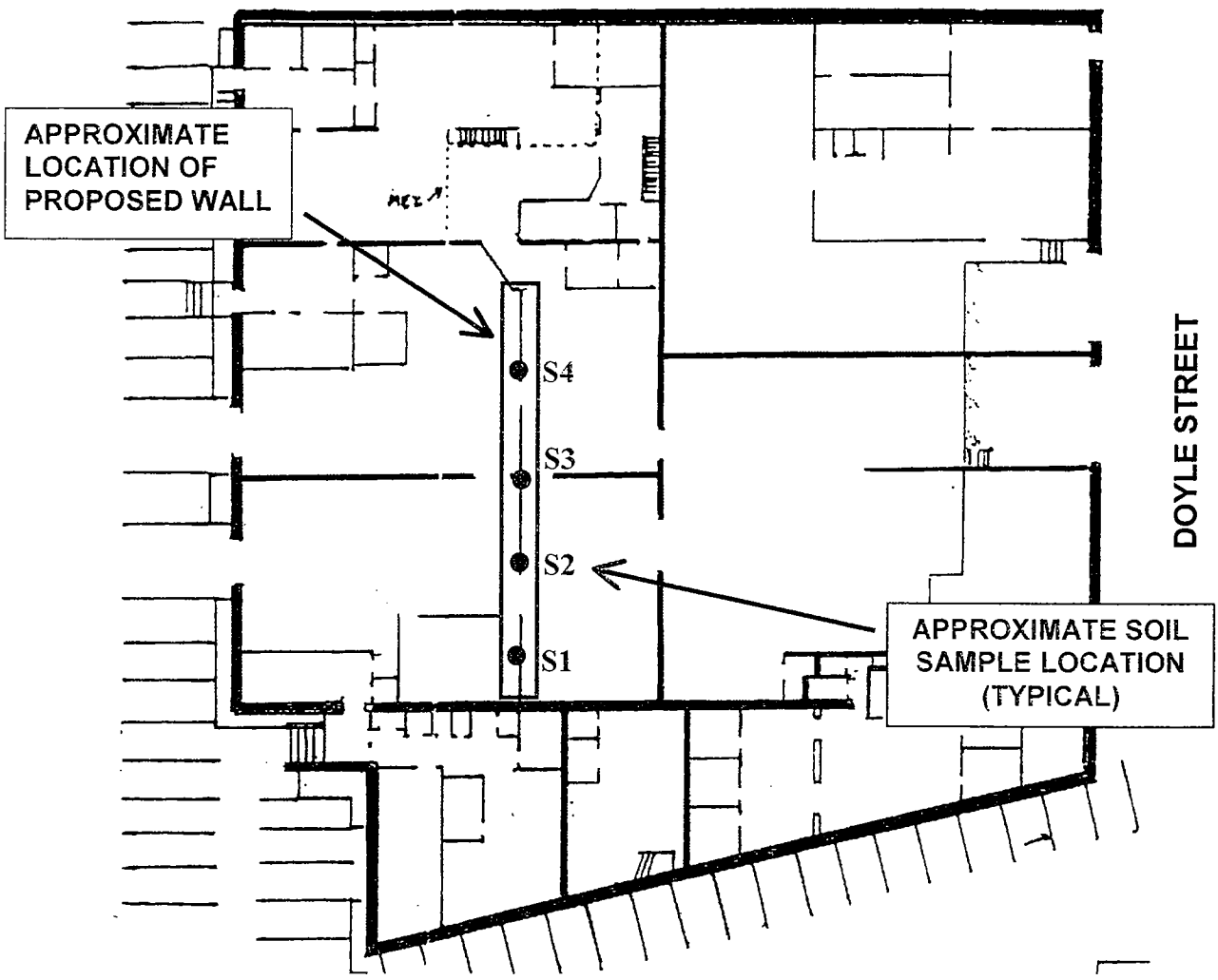
Very truly yours,

ANTON GEOLOGICAL

Kenneth R. Anton
Registered Geologist No. 6602
Registered Environmental Assessor I No. 06617

KA:ka

(3) addressee



Notes:
1. Prepared from site plan information provided by Donald L. Jones Company and our field notes.
2. All locations and dimensions are approximate only.

N

APPROXIMATE SCALE

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FEET

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Western U. S. Geological and Environmental Consulting Services
P. O. Box 370, Elk, California 95432-0370 (707) 877-3278

PLOT PLAN

Papermill Properties, Emeryville, California
Anton Geological Project No. 012-002

PLATE 1

APPENDIX

LABORATORY DATA REPORT

SCILAB

SCIENTIFIC LABORATORIES OF CALIFORNIA, INC.

24416 SOUTH MAIN STREET • SUITE 308
CARSON, CA 90745
TEL: (310) 834-4868 • FAX: (310) 834-4772

October 15, 2002

Anton Geological
Attn: Ken Anton
6161 S. Highway One
P.O. Box 370
Elk, CA 95432

RE: Anton Geological
Job Number 402101191
P.O. # 012-002
012-002; Papermill Properties

Dear Ken Anton:

Enclosed are the results for lead analysis of the following Anton Geological sample(s) received at SCILAB on October 9, 2002, for a 5 day turnaround:

S1, S2, S3, S4

The 4 sample(s) contained in ziplock bags were shipped to SCILAB via Federal Express. The sample(s) were received in Good condition. The sample(s) were prepared and analyzed by modified EPA SW-846 Methods 3050 & 7420 using Flame Atomic Absorption Spectroscopy.

Table I represents a summary of the analysis results.

This report relates ONLY to the sample analysis expressed as lead in ppm (mg/kg). SCILAB assumes no responsibility for customer supplied data such as "sample location" or "area of collection". Complete analytical documentation is archived and available upon written request. The National Institute of Standards and Technology Accreditation requirements, mandates that this report must not be reproduced, except in full, and with the approval of the laboratory.

SCILAB appreciates this opportunity to serve your organization. Please contact us for any further assistance or questions.

Sincerely,

Jick J. Chen
Environmental Laboratory Director

SCIENTIFIC LABORATORIES
OF CALIFORNIA, INC.

24416 SOUTH MAIN STREET • SUITE 308
CARSON, CA 90745
TEL: (310) 834-4868 • FAX: (310) 834-4772

SciLab Job#: 402101191

Date Received: 10/09/2002
Date Analyzed: 10/15/2002

Lead Analysis Results

Soil

EPA Method 3050/7420

Anton Geological

Elk, CA

Job Site: 012-002; Papermill Properties

SciLab # 402101191	Client Number	Sample Location	Lead % Solids	Lead (mg/kg = ppm)
01	S1	South	0.015	150
02	S2	Mid-South	0.013	130
03	S3	Mid-North	0.005	50
04	S4	North	0.27	2,700

400 mg/kg for high-contact play areas; requires interim control.
1,000 mg/kg for low-contact areas; requires interim control.
5,000 mg/kg - interim control not appropriate.
SciLab Reporting limit is 20 mg/kg.
Scilab does not correct sample results by the blank value.
CA ELAP No. 2322. AIHA Lab No. 100530.

Reviewed by: _____

Analyzed by: _____
Xuqing Fu

ELAP No: CA 2322