RGA
ENVIRONMENTAL

April 29, 2015

Mr. Robert Hughes
Thompson | Dorfman Partners, LLC
39 Forrest Street, Ste. 201
Mill Valley, California 94941

Subject: Peer Review of Environmental Site Assessment Reports
2330 Webster Street, Oakland, California

Dear Mr. Hughes:

Pursuant to your request, RGA/Terracon has completed a professional peer review of the following reports:

- "Phase I Environmental Site Assessment Report, 2330 Webster Street and 2315 Valdez Street, Oakland, California" prepared by Ninyo and Moore, Oakland, California and dated January 11, 2010.
- "Phase II Environmental Site Assessment Report, 2330 Webster Street and 2315 Valdez Street, Oakland, California" prepared by Ninyo and Moore, Oakland, California and dated March 4, 2010.

The purpose of this review is to ascertain the conformance of the content to an industry standard, where applicable, and to evaluate the completeness and validity of the conclusions.

Ninyo and Moore Phase 1 Report

The content of this report conforms in all particulars to the existent industry standard for Environmental Site Assessments, which was the American Society for Testing and Materials (ASTM) Practice E 1527-05.

The Findings of the report may be summarized as follows:

- The site is currently a paved parking lot.
- The…historical records reviewed indicate…commercial and industrial use as early as 1950. Commercial uses included an auto supply store and warehouse, machine shops, a gas station, and a labor meeting lodge for several labor unions.
- Adjacent properties historically included auto body shop and repair facilities, parking garages, and machine shops.
- Review of a 2004 Phase 1 report by AquaTerra, Dallas, TX, indicated that a subsurface investigation had been completed in 1995 at the Site by Versar, Inc., Fair Oaks, CA. Reportedly, 18 samples from soil and groundwater returned negligible concentrations of VOC and petroleum hydrocarbon contaminants. The investigation also included an 'electromagnetic survey', which located piping in the center of the parcel and an 'unknown' 60 foot by 110 foot subsurface structure in the southeast portion of the property.

- A 'No Further Action' letter from the Alameda County Environmental Health Department dated October 30, 1996 exists for the Site. This letter is apparently for a Spills, Leaks, Investigation and Cleanup (SLIC) case.
- The site was observed…with several areas where obvious signs of subsurface investigation activity had occurred. Six destroyed monitoring well locations were observed in the southeastern and central sections of the site, and several other smaller diameter grouted borings were observed throughout the site.
- Several unlabeled drums were observed on site during our site reconnaissance, including 22 located in the southwestern section, 11 located in the northeastern section, and one drum observed just inside the fence adjacent to Webster Street, none of which were observed to be leaking.

The Conclusion of the report reads as follows:

This assessment has revealed no RECs or historical RECs associated with the site with the following exceptions:

- Former hazardous materials stored and used on site including paints, oils, gasoline, and petroleum hydrocarbon based lubricants and solvents relating to machine shop activities.
- Total petroleum hydrocarbons as gasoline and VOC impacted groundwater and VOC impacted soils have been documented from previous site subsurface investigations.
- Several adjacent properties have stored and used similar hazardous materials routinely as part of their business activities that may have an environmental impact to the site.

RGA/Terracon Evaluation and Comments

1. No records were located that confirmed the underground storage tanks from the gas station operations had been removed or closed in place under regulatory agency oversight. The unknown status of the former USTs and supply piping qualifies as a significant Finding, but was not listed as such.
2. The "No Further Action" letter from the Alameda County Environmental Health Services Department dated October 30, 1996 is for a SLIC case that was apparently initiated for Volatile Organic Compound (solvent) contamination detected during a 1995 subsurface investigation. The investigation did not characterize the Site for potential contamination from the former gas station (only one groundwater sample was obtained) and therefore should not be interpreted as a 'closure letter' for the former gas station. This point is not made in the reviewed Phase 1 report.
3. There is an obvious error in the following statement regarding the Alameda County EHS letter: "A 'No Further Action' letter was prepared by the ACEHSA (in conjunction with the RWQCB) in October 1996 after reviewing a request for case closure and related risk assessment prepared in July 2006." The reported risk assessment did not occur until 10 years after the NFA letter was written, so there is no connection between the two, as is implied.

4. The Finding that there is evidence of six destroyed monitoring wells on the property is not substantiated by County or State file information that was obtained for the assessment, nor is it reported in the AquaTerra summary of the 1995 Versar investigation. It appears that only one monitoring well was previously installed on the property, near the center of the parcel. The evidence of former wells cited in the Ninyo and Moore report is likely to be grouted auger borings rather than groundwater monitoring wells.
5. The unlabeled 55-gallon drums on the parcel, which presumably contain drill cuttings from one of the previous subsurface investigations, qualify as an environmental concern for the property. Under Federal and State OSHA regulations "Unlabeled drums and containers shall be considered to contain hazardous substances and handled accordingly until the contents are positively identified and labeled." (29 CFR 1910.120).

Ninyo and Moore Phase 2 Report

The content of this report conforms in all particulars to the existent industry standard for Phase II Environmental Site Assessments, which was the American Society for Testing and Materials (ASTM) Practice E 1903-97 (2002).

A total of five boreholes were advanced, situated generally across the parcel along a north-south axis. Soil samples were obtained from each boring at depths of 2 and 10 feet below ground surface, and groundwater samples were obtained from three borings (static groundwater level varied from 18-23 feet bgs).

The Findings of the report may be summarized as follows:

- Analysis for metals in the shallow soil samples (2 feet bgs) returned one elevated concentration of lead, from beneath a reported former solvent storage building. In addition, all five shallow soil samples exhibited vanadium concentrations above the Environmental Screening Level.
- Analysis for petroleum hydrocarbon fuel constituents in all soil samples (four at 2 feet bgs, one at 10 feet bgs) either did not detect the target compounds or returned environmentally insignificant concentrations, well below the applicable Environmental Screening Levels.
- Analysis for Volatile Organic Compounds in all soil samples (four at 10 feet bgs, one at 8 feet bgs) did not detect the target compounds above laboratory detection limits.
- Analysis for petroleum hydrocarbon fuel constituents and Volatile Organic Compounds in the three groundwater samples either did not detect the target compounds or returned concentrations well below the applicable Environmental Screening Levels, with the exception of one sample from the center of the parcel where two solvent compounds were detected at elevated concentrations.

The Conclusions of the report may be summarized as follows:

- The solubility of the detected lead at one location qualifies it as a California hazardous waste. The concentration is localized and further sampling and analysis will be required for off-haul of excavated soils.
- The slightly elevated vanadium concentrations represent normal background levels for this metal.
- The elevated VOC concentrations found in the groundwater at one location do not represent a vapor intrusion hazard.

RGA/Terracon Evaluation and Comments

1. The Phase 2 investigation qualifies as a screening-level subsurface assessment by generally-accepted environmental professional standards.
2. The reported conclusions are supported by the analytical results and the interpretations are consistent with professional environmental practice.
3. No conclusion was provided for the absence of environmentally significant concentrations of petroleum hydrocarbon constituents in the soil samples from 10 feet below ground level or the three groundwater samples. At a minimum, particularly in conjunction with the previous 1995 groundwater sampling, this indicates that there is no gross contamination of the soil and groundwater at the Site from the prior gas station operations.
4. The subsurface analytical evidence acquired to date does not eliminate the possibility that the USTs associated with the former gas station are still in place, or that there may be significant localized soil contamination on Site at uninvestigated locations. The latter point is generally addressed in the Limitations section of the report.
5. The report does not contain the disclaimer that reporting the results of subsurface investigations where contamination is confirmed is the responsibility of the property owner.

Recommended Actions

1. Owner shall arrange for proper disposal of the drums stored on the Site, which may require additional sampling and analysis of the contents, depending on landfill acceptance requirements.
2. If Site redevelopment will require general excavation, the Owner shall inform the excavation contractor of the possible presence of underground fuel storage tanks and associated infrastructure, particularly in the central portion of the parcel.
3. Owner shall determine whether reporting to local or regional environmental regulatory agencies is required for the detected lead contamination on the property.

Thank you for using RGA Environmental, Inc. If you have any questions regarding this peer review report or require additional information, please call Cabe Silverhame at (415) 407-5744 or Karin Schroeter at (510) 899-7025.

Very truly yours,

RGA ENVIRONMENTAL, INC.

Cabe Silverhame, PG 6201
Senior Geologist