



August 23, 2017

241.116.03.011

Alameda County Department of Environmental Health
1131 Harbor Bay Parkway
Alameda, California 94502-6577

Attention: Dilan Roe, P.E.

**Subject: Remediation Planning and Implementation
2200 Telegraph Avenue and 2201 Valley Street
Oakland, California**

Dear Dilan:

On behalf of BA1 2201 Valley LLC, and its manager TMG Partners (collectively, "TMG"), thank you for convening the conference call last Thursday with Mr. Mashhoon of Mash Petroleum, Mr. Sepehr of SOMA Environmental, and us, regarding remediation of the two subject properties (collectively, the "Site"). The clarity you provided to the participants regarding remedial objectives was helpful, including the parties' agreed Site-specific objective of attaining a level of clean-up that will result in Alameda County Department of Environmental Health (ACDEH) issuing a determination that the Site can be developed without restrictions on use.

You also mentioned on the call that normal protocol would be to complete a feasibility study of potentially applicable remedial technologies/alternatives for meeting the agreed cleanup objective before doing a pilot study of a particular alternative. However, to facilitate attaining clean-up by the end of 2018, you indicated that ACDEH would not require such a study now and will approve the pilot test work plan so that it can expeditiously commence. We agree that the pilot study should proceed immediately. The submitted workplan contemplates that such a study will be completed as part of the Corrective Action Plan ("CAP"). However, to assure there is a thorough evaluation of potential clean-up methods to attain the remedial objective set forth in the parties' binding purchase agreement in the required timeframe, we believe a focused feasibility study should proceed now, concurrently with the pilot study. In addition to identifying the optimal remedial technology or technologies, preparation now of a feasibility study would facilitate a rapid shift in remedial approach to achieve the contractually agreed cleanup objective in the event the current pilot study results are unsatisfactory. According to the workplan, "[t]he CAP will introduce the most effective, feasible, and less costly alternative

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in removing chemicals from the soil and groundwater at the site," but the selected remediation alternative must in all events satisfy the parties' contractually agreed cleanup standard of unrestricted use. The schedule to which the parties have committed permits no time to be lost in identifying the appropriate alternative.

You also encouraged the two parties to collaborate on technical matters, the objective being to meet the cleanup schedule, and to facilitate SOMA's submittal of documents that are satisfactory to all parties, including a Corrective Action Plan. We agree that collaboration will be helpful and we will work with SOMA to review and comment on its submittals in draft form before they are submitted to you. Finally, you requested the parties confer and that SOMA submit numerical clean-up objectives that would support unrestricted use. We will be happy to assist in the development of these standards.

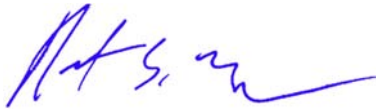
On behalf BA1 2201 Valley LLC and TMG Partners, thank you for your continuing assistance regarding the cleanup and development of the Site. Should you require additional information or have questions concerning this letter, please contact either of us via email or at (415) 899-1600.

Very truly yours,

PES ENVIRONMENTAL, INC.



William W. Mast, P.G.
Principal Engineer



Robert S. Creps, P.E.
Principal Engineer

cc: Mark Detterman – ACDEH
Mo Mashoon – Mash Petroleum
Mansour Sepehr – SOMA Environmental Engineering
Denise Pinkston – TMG Partners

Detterman, Mark, Env. Health

From: William W. Mast <wmast@pesenv.com>
Sent: Wednesday, August 23, 2017 9:13 AM
To: Roe, Dilan, Env. Health
Cc: Detterman, Mark, Env. Health; 'Mo Mashhoon'; Mansour Sepehr (msepehr@somaenv.com); Denise Pinkston (DPinkston@tmgpartners.com); Robert S. Creps
Subject: 2200 Telegraph & 2201 Valley, Oakland, CA
Attachments: 24111603L002.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Dilan,

Thank you again for your consideration and input during our phone conversation last Thursday. Attached please find our letter regarding remediation planning and implementation for the subject project site.

Please contact us with any questions.

Regards,
Will

William Mast
Principal Engineer



PES Environmental, Inc.
Engineering & Environmental Services

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