ATKINS
ENVIRONMENTAL
HELP, INC.

December 2, 2015

Via e-mail: **tlane@serranodevelopment.com**

Ms. Tai Lane
Old Town-Main, LLC
% Serrano Development Group, Inc.
500 N. Brand Blvd., Suite 2120
Glendale, CA 91203

SUBJECT: **Proposal for Turnkey Site Clearance Project at the Old Town Newhall City Block, Including Removal of the Following:**

- **Three (3) Underground Storage Tanks (USTs),**
- **One (1) Concrete-Filled Clarifier,**
- **One (1) Vehicle Hoist,**
- **One (1) Vehicle Wash Sump, and**
- **One (1) Vehicle Frame Straightener. Plus**
- **Approximately 250 square feet of Vinyl Asbestos Floor Tile under a SCAQMD Approved Procedure 5 Workplan**

Dear Ms. Lane:

Atkins Environmental HELP, Inc. (***AEH***) is pleased to present this turnkey proposal including Scope of Work and Estimated Investment for removal of the above listed vehicle maintenance / repair related structures with associated piping located at the subject site. This work which can be termed "Turnkey Site Clearance", will be performed for ***Old Town-Main, LLC*** (***Client***), a division of Serrano Development Group which is in negotiations with the City of Santa Clarita for purchase of this property. This project is part of site preparation for redevelopment.

Background and Qualifications

Atkins Environmental HELP, Inc. is a full-service environmental consulting firm founded in 1987 to assist California businesses in managing their increasingly complex environmental compliance requirements. ***AEH*** is highly successful in providing expert, cost-effective compliance management to clients, including site preparation including underground storage tank removal / disposal. For such projects, ***AEH*** performs in accordance with the requirements established by State of California regulations (Article 7), local fire departments (CUPA), and the County of Los Angeles Department of Public Works. ***AEH*** carries workman's compensation, professional & general liability insurance policies and requires proper coverage on the part of its subcontractors. ***AEH*** will also comply with OSHA regulations and your safety requirements.

A real estate transaction is contemplated for the subject property; a set of parcels which contain at least three (3) abandoned USTs, one (1) concrete-filled clarifier, one (1) subterranean vehicle hoist, one (1) subterranean "hoist type" frame straightener (with two 14" diameter hydraulic canisters buried vertically), ~250 sq. ft. of asbestos floor tile, and one (1) vehicle wash sump; all presumed to have associated piping. In order to obtain financing the prospective owners wish to have these items, plus associated piping, removed prior to sale or redevelopment.

Scope Of Work – Subsurface Structures

Atkins Environmental HELP, Inc. proposes the following Scope of Work and will furnish all labor, equipment, materials, payments for permitting / tank registration and supervision required to perform the proposed work.

TASK 1 - Obtain all necessary permits from the County of Los Angeles Department of Public Works (LADPW) and contact Underground Service Alert at least three days prior to the excavation activities as required.

TASK 2 - It is presumed the tanks are <u>not</u> registered currently with the state, so tank registration is included. Tank registration fees will be the responsibility of ***AEH***. Tank registration requires:

1) Application through the Los Angeles County Department of Public Works (LADPW) for state UST registration, followed by,

2) Document each tank has a Hazardous Material Underground Storage Permit (HMUSP), or prepare and submit an application to enable the permitting of each tank (with the LADPW).

3) Once each UST is registered with the State and has a valid HMUSP, a permit for tank closure can be submitted and approved by the LADPW.

TASK 3 - Coordinate and oversee the break-out and removal of existing paving / soil as required to expose the crown (top) of each tank and the related subsurface structures identified above. This task includes provision and coordination of all required fencing or barricades for traffic control within the open parking lot area (if required).

The UST work will be accomplished according to each LADPW permit, but at minimum will include:

<u>UST #1 (Estimated UST volume of 500 gallons)</u>

a) Saw-cut, break-out and disposal of approx. 100 sq./ft. of existing asphalt,
b) Expose top of tank and determine contents / accommodate cleaning,
c) Excavate around vault / UST,
d) Degas UST if needed following SCAQMD procedures and permitted equipment,
e) Cold chisel a minimum of one inspection / cleaning port in top of tank,
f) Evacuate tank contents by triple rinsing to vacuum truck,
g) Coordinate Marine Chemist or CIH to certify tank as “clean”,
h) “Safe” tank if required, then extract UST and place on recycling truck or trailer,
i) Coordinate proper disposal or recycling of the clean UST,
j) Remove approximately 30 sq. ft. of asphalt and associated UST piping,
k) Extract soil samples under UST and piping as required by LADPW permit,
l) Back-fill voids with ¾” crushed rock,
m) Cold patch will be used to repave excavation and return parking capability,
n) Where concrete replacement is called for use 2 sack slurry.

UST #2 (Estimated UST volume of 500 gallons)

a) Saw-cut, break-out and disposal of approx. 70 sq./ft. of existing concrete, Concrete estimated at 8" thick,
b) Expose 2 hydraulic hoist cylinders + plumbing line to nearby reservoir tank,
c) Expose top of estimated 500 gallon hydraulic fluid UST / reservoir (presumed contents),
d) Evacuate tank contents by triple rinsing to vacuum truck,
e) Cold chisel a minimum of one inspection / cleaning port in top of tank,
f) Coordinate Marine Chemist or CIH to certify tank as "clean",
g) "Safe" tank if required, then extract UST and place on recycling truck or trailer,
h) Remove approximately 30 sq. ft. of concrete and remove associated piping,
i) Extract soil samples under UST and piping as required by LADPW permit,
j) Steel will go to certified recycling facility,
k) Break-out and remove existing and associated garage floor catch basin,
l) Back-fill with ¾" crushed aggregate.

UST #3 (Estimated UST volume of 1,500 gallons)

a) Saw-cut, break-out and dispose of approximately 160 sq. ft. of existing asphalt,
b) Expose top of tank and determine contents / accommodate cleaning,
c) Excavate around this presumed gasoline UST,
d) Degas UST if needed following SCAQMD procedures and permitted equipment,
e) Cold chisel a minimum of one inspection / cleaning port in top of tank,
f) Evacuate tank contents by triple rinsing to vacuum truck,
g) Coordinate Marine Chemist or CIH to certify tank as "clean",
h) "Safe" tank if required, then extract UST and place on recycling truck or trailer,
i) Remove approximately 30 sq. ft. of paving and associated UST piping,
j) Remove vent and fill lines,
k) Extract soil samples under UST and piping as required by LADPW permit,
l) Coordinate labor to assist tank cleaning / pumping,
m) Back-fill with ¾" crushed aggregate, approximately 8 tons.

Clarifier

a) Saw-cut, break-out and dispose of approximately 140 sq./ft. of existing concrete,
b) Existing slab estimated to be 6" thick,
c) Excavate around clarifier,
d) Break-up concrete-filled clarifier and dispose to recycling facility,
e) Remove associated sample box (if applicable),
f) Back-fill with ¾" crushed aggregate,
g) Bring to near grade and patch to existing grade using a 2 sack concrete mix,

Vehicle Frame Straightener and Vehicle Wash Sump

a) Saw-cut, break-out and dispose of 3 concrete areas:
b) First an area of 60 sq. ft. for the Frame Straightener,
c) Second an area ~10 ft. x 2 ft. as a trench to remove one hydraulic line,
d) Third a 4 ft. x 4 ft. area associated with the vehicle wash sump,
e) Excavate around these vehicle related subsurface features,
f) Evacuate canister contents,
g) Extract soil samples under each feature and piping if required (by LADPW permit),
h) Coordinate labor to assist with canister cleaning / pumping, recycling,
i) Back-fill with ¾" crushed aggregate.

TASK 4 - Final triple-rinsing of each tank and proper disposal of the rinsate (as required) at an approved disposal site will be performed.

TASK 5 - ***AEH*** will arrange and pay any applicable fees associated with securing an active State of California EPA Identification Number. If an EPA number has not been assigned, a temporary number will be obtained through the California Environmental Protection Agency - Department of Toxic Substances Control (DTSC).

TASK 6 - Based on the contents of each UST, determine if any action is needed to satisfy the South Coast Air Quality Management District, complete and submit required notification forms and proceed documenting compliance with the applicable regulations (i.e., tank degassing if gasoline).

TASK 7 - Coordinate tank inspection by a Marine Chemist, Certified Industrial Hygienist (CIH), or Certified Hazardous Materials Manager (CHMM) to certify each tank as "clean", prior to appropriate disposal, as required.

TASK 8 - Remove and dispose of each certified clean tank under the direction of the Los Angeles County Fire Department (CUPA) Fire Prevention Bureau per the Fire Code and requirements of a LADPW tank closure permit. Remove and dispose of the vehicle hoist and related piping / subsurface hydraulic canisters associated with the vehicle hoist, and frame straightener, plus associated piping.

TASK 9 - Take up to two soil samples under each tank and one every 20 linear feet of piping. Sample as required by the permit issued through the Los Angeles County Department of Public Works and submit samples for testing to a State-certified laboratory. Up to 13 samples total are anticipated under the USTs, clarifier, hoist, frame straightener and vehicle wash sump, plus every 20' of associated piping. **Results will be based on standard turn-around time available in 5-10 working days. Additional samples and tests may be required by the inspector on-site**.

TASK 10 - Remove up to three (3) idle subterranean features related to vehicle maintenance / repair (i.e., hoist, frame straightener, vehicle wash sump etc.). Samples of soil below each subsurface feature will be extracted and analyzed, if required.

TASK 11 - Prepare and present draft site mitigation workplan(s) to the client for approval and subsequent submittal / approval by the LADPW. Implement up to three approved workplans with the intent to complete site mitigation by soil removal at up to three UST sites on the target property. Monitor and report progress of site mitigation efforts at each UST site and coordinate sidewall / bottom confirmation soil sampling as required by the LADPW. Once removal of impacted soil has been to the satisfaction of the LADPW, prepare closure reports as outlined in Task 13 below.

TASK 12 - Clean fill, crushed rock or aggregate will be made available for the purpose of backfilling to grade.

As part of this excavation backfilling process, ***AEH*** recommends ***Old Town-Main, LLC*** consider installing a series of ramps or transitions using this same material. The intent would be to eliminate the current uneven surfaces (trip hazards) which abound at this site, at least until the formal project excavation commences. The City of Santa Clarita has completed a limited number of these transitions; the remainder represent significant risk to the current and prospective owner. Work needed to implement these accident and injury prevention measures can be viewed as a natural extension of this backfill acquisition and placement task. The small investment needed can be agreed to prior to this work being performed.

TASK 13 - Preparation of a closure report for each UST system according to the Los Angeles County Department of Public Works guidelines, is part of this proposal. One electronic (PDF) copy will be provided to the ***Client*** as a final draft, and approval received prior to this report being forwarded to the LADPW.

TASK 14 - ***AEH*** will coordinate and pay for the review, approval, signature, and stamp of this closure report by a California Registered Professional Engineer or Geologist (as required).

TASK 15 - Once directed by the ***Client***, submit the Final Closure Report(s) to Los Angeles County Department of Public Works with a request for a no further action (NFA) letter, if appropriate. The intent will be to secure a NFA letter for the entire city block, as opposed to a NFA for each UST involved.

Estimated Timeline: The timeline needed to accomplish the above 15 tasks is outlined below.

Permitting	Fieldwork	Report Preparation
10 working days	3-5 working days	Within 30 days of end of fieldwork

Scope of Work – Site Mitigation

It is difficult to gauge the extent of site mitigation needed (if any) until certain site features are removed and disposed with the intent of clearing the site, enabling further investigation. UST #1 (the northern most underground tank) at this site is confirmed to have leaked at some time in the past as gasoline and diesel range organics above regulatory screening levels were identified in samples taken near / under this UST to a depth of 20' below ground surface. *This scope of work and cost estimate is based on a probable worst case scenario stipulated for decision making purpose only. Depending on actual condition of the site the scope and cost may increase / decrease from what is outlined in this proposal.* The table below lists the level of effort and estimated timeline for each of these known underground storage tank systems.

The site mitigation work is based on an excavation measuring 15 feet long by 15 feet wide and 30 feet in depth. The top ten feet of overburden is presumed to not be impacted, leaving only about 167 cubic yards to be extracted (this has been rounded up to 170 cubic yards for the purpose of this proposal, which includes excavation - and shoring if needed).

Tank	Description	Level of Effort	Estimated Timeline
UST #1	Sampling associated with a separate limited site assessment performed in 2007 on the same property indicated limited site mitigation will be needed; fuel impacted soil around and below this UST will need to be removed. The sampling and analysis performed in 2007 cannot be considered conclusive as soil samples extracted every five feet down to 40' bgs in certain borings were found to be free of contaminants or well below regulatory soil screening levels. In other borings within ten feet laterally, samples to 20' bgs were determined to be well above the soil screening levels for gasoline and diesel. The same is true for benzene, toluene, ethylbenzene and xylenes (fuel constituents). For this reason estimating the volume of impacted soil at depth can only be considered a best guess. In 2007, the amount of soil estimated for removal was 20 cubic yards. The actual volume may be two to ten times this amount. For the purposes of estimating the volume of soil to be extracted to accomplish an adequate (LADPW approvable) site mitigation impacted soil dimensions of 15' wide by 15' long by 30' deep was used as a model for pricing (up to 170 cubic yard). There are two methods to extract such impacted soil which are considered cost effective generally. The first and most likely is to "lay back" the excavation, exposing the impacted soil by ramping down to it, staging the clean soil on site for reuse in backfilling the excavation. The second method is to use a temporary box shoring system, which enables extraction of impacted soil almost surgically while holding back the adjacent formation if sidewall stability is of concern. This pricing includes both these extraction methods if needed.	This assumes 170 cubic yards, under 10' of clean overburden, as a volume of impacted soil subject to removal using either the lay back and / or temporary shoring method as described. This site mitigation can be accomplished for an estimated $87,528. This estimate covers waste characterization, profiling, excavation, loading, confirmation sampling (to document a complete site mitigation has been performed), manifesting and hauling by a licensed trucking firm to a permitted treatment, storage & disposal facility.	Permitting / Site Mitigation Workplan Development & Acceptance: 10 working days Fieldwork: 3-5 work days Final Closure Report Preparation: Within 30 days of end of fieldwork
UST #2	This UST is believed to be a vehicle hydraulic lift reservoir. Hydraulic fluid is so prevalent in commerce, and of such low hazard the LA County CUPA and DPW do not regulate it. The US Dept. of Transportation does not consider it a hazardous substance for the purpose of labeling / placarding. The Cal EPA Department of Toxic Substances Control (DTSC) defers to the LA County CUPA. Since it is hydrocarbon based, an unauthorized release which impacts the subsurface may still require site mitigation, but the screening levels are very high making site mitigation and cleanup less expensive. Subsurface investigation for this UST was limited to joint environmental and geotechnical soil sampling in one boring between the concrete-filled clarifier, less than 10' to the east, and the UST #2 location. The sampling and analysis performed as part of this subsurface investigation indicated this area free of contaminants or well below regional (soil) screening levels (RSLs). At 2.5' bgs in this boring oil range organics were detected at 334 mg/l which is well below the regulatory screening level of 3,130 mg/l. No hydrocarbons were detected at 10' bgs. At 20' bgs diesel was detected at 60.9 mg/l, and oil range organics were detected at 290 mg/l. Both are well below the 108 mg/l and 3,130 mg/l RSLs for diesel and oil range organics respectively. No benzene, toluene, ethylbenzene or xylenes (fuel constituents) were detected in soil analyzed in samples taken from this boring. Estimating a volume of impacted soil at depth, is to presume these results somehow indicate impact at greater depth which is somehow above the RSLs, contrary to the limited data described above. Assuming UST 2 has similar subsurface conditions to UST 1, results in a soil removal volume of about 20 cubic yards, with a potential impacted volume presumed to be ten times this amount.	40 cubic yards of impacted soil subject to removal as site mitigation. The investment would involve laying back the clean soil (and temporary shoring possibly) to expose the impacted soil and enable removal of this 40 yards for an estimated $27,984. This estimate covers waste characterization, profiling, excavation, loading, confirmation sampling (to document a complete site mitigation has been performed), manifesting and hauling by a licensed trucking firm to a permitted treatment, storage & disposal facility.	Permitting / Site Mitigation Workplan Development & Acceptance: 10 working days Fieldwork: 3-5 work days Final Closure Report Preparation: Within 30 days of end of fieldwork
UST #3	Little is known about this UST which was discovered during a ground penetrating radar survey performed in preparation for the geotechnical work performed on this project site. Subsurface investigation for this UST was limited to joint environmental and geotechnical soil sampling in one boring to 20' bgs less than five feet northwest of the footprint of this tank as identified by a ground penetrating radar survey. The sampling and analysis performed as part of the current subsurface investigation indicated this area free of contaminants or well below regional (soil) screening levels (RSLs) at 2.5', 10' & 20' bgs in this boring. No hydrocarbons, benzene, toluene, ethylbenzene or xylenes (fuel constituents) were detected in soil analyzed in samples taken from this boring. Similarly no heavy metal concentrations above their respective RSLs were detected. The results indicate all contaminants looked for at depth were well below their respective RSLs. Estimating a volume of impacted soil at depth, is to presume these results somehow missed contaminant impact at greater depth; possible but contrary to the data described above, at the same time recognizing the limitations of this data. Assuming UST 3 has similar subsurface conditions to UST 1, results in a soil removal volume of about 20 cubic yards, with a potential impacted volume presumed to be two to ten times this amount.	This assumes 170 cubic yards, under 10' of clean overburden, as a volume of impacted soil (subject to removal using either the lay back and / or temporary shoring method as described). This site mitigation can be accomplished for an estimated $87,528. This estimate covers waste characterization, profiling, excavation, loading, confirmation sampling (to document a complete site mitigation has been performed), manifesting and hauling by a licensed trucking firm to a permitted treatment, storage & disposal facility.	Permitting / Site Mitigation Workplan Development & Acceptance: 10 working days Fieldwork: 3-5 work days Final Closure Report Preparation: Within 30 days of end of fieldwork

UST Extraction

The fieldwork necessary for UST extraction is estimated at 3-5 consecutive work days, in which all three USTs are exposed, cleaned, and removed followed by under tank sampling.

Site Mitigation

Site mitigation would follow UST extraction only if impacted soil were encountered. It is suggested preauthorization from the LADPW be sought to enable immediate removal of impacted soil if observed upon UST extraction. This would be followed by confirmation sampling to complete the site mitigation process for any USTs documented as having had an unauthorized release. This presumes the LADPW policy has not changed and ***AEH*** is able to obtain permission to proceed in this manner.

Any additional work outside this scope or required by the ***Client*** or the Los Angeles County Department of Public Works (and approved by the ***Client***) will be billed at the standard rate of $250 / hour. No additional work will be performed without written approval from the ***Client***.

Limitations and Exclusions - Subsurface Structures

- The tank sizes specified in this proposal will be used for permitting through the LADPW. If actual tank size is greater, an agreeable adjustment in overall investment may be necessary.
- ***AEH*** will not be responsible for site traffic involving vehicles not involved in project work.
- ***AEH*** will not be responsible for No Parking Signage or removal of parked cars.
- Weather permitting the fieldwork for this job scope is estimated at 5 working days.
- If any of these tanks are constructed of or wrapped in fiberglass, an additional disposal fee will apply.
- Disposal allowance = 2% of tank capacity or 10 gallons maximum (30 gallons for Tank 3). Rinsate volumes exceeding this disposal allowance will be billed at cost plus 15%.
- In the event one or all of these USTs has been filled with sand or concrete slurry (inert material), evacuating such solid material will be considered out of scope and additional. An adjustment to the overall investment will need to be arranged and agreed to in advance.
- Groundwater remediation is NOT included in this Scope of Work. If an unauthorized release from one of these USTs or other subsurface features is documented, the Client will be notified and guidance provided regarding options to affect site mitigation (clean up). If further excavation (scoop and run) and sampling to confirm removal of contaminants can be supported, a site mitigation workplan can be prepared for swift LADPW approval. Any such site mitigation work would proceed on a Time and Materials basis with the estimated investment level as outlined herein selected and agreed to in advance. If the subsurface impact is considered pervasive the client will be

consulted immediately, options discussed and a course of action decided, so concurrence from the LADPW can be sought. This approach would only be abandoned in the **unlikely** event an imminent hazard to the public health or environment is uncovered.

- Underground tank owners / operators are required to pay annual registration and inspection fees. ***AEH*** will be responsible for providing evidence of current tank registration. Registration will be coordinated by the consultant in preparation for tank permitting, followed by tank closure permitting, and will be considered part of this Scope of Work.

- The Los Angeles County Department of Public Works will require tank closure permit fee(s). These fees will be the responsibility of ***AEH***.

- Groundwater at this location is estimated to be at least 40 feet bgs (below ground surface), with planned excavation limited to less than 15' bgs. There is a low probability of reaching groundwater during this excavation. If groundwater is encountered during the excavation, the Los Angeles County Department of Public Works is likely to require clean fill go into the excavation, further assessment and the project referred to the Los Angeles Regional Water Quality Control Board (LARWQCB).

- In the event the Los Angeles County Department of Public Works indicates this project requires further Site Assessment or Remediation / mitigation, this agreement shall be paid in full and a separate Site Assessment / Remediation proposal will be written.

- ***AEH*** will manage regulatory agency approvals but cannot accept responsibility for success or timing.

- If underground lines or hazards containing gas, water or effluent, or utilities, large rocks, ledge rock, water or debris interfere in the proposed excavation areas or are damaged during installation, the cost of removal, repair or relocation of same shall be borne by the ***Client***. Concrete or asphalt greater than ten inches in depth, excessive rebar (amount or size), unstable or contaminated soil constitutes an underground hazard.

- Clean up and hauling away of debris caused by these UST / concrete-filled clarifier / vehicle hoist / vehicle frame straightener and vehicle wash sump excavations is included.

- If the ***Client*** approves purchase / transport of clean fill, crushed rock or aggregate; the site will be returned to grade or made ready for further excavation upon project completion. Installation of uneven surface transitions or ramps using clean fill, crushed rock or aggregate is an option for the client to consider as discussed in Task 11 above.

- Soil sampling will be performed as directed by the LADPW and CUPA which are anticipated to serve as the regulatory authorities for this site clearance. This is expected to include soil sampling at 2' – 4' below each UST / concrete-filled clarifier / vehicle hoist / vehicle frame straightener and vehicle wash sump plus related piping is included but limited to up to two samples for each tank / clarifier / vehicle related subsurface feature, and up to one sample for each piping run (i.e., no more than 20 linear feet of piping). The total number of soil samples is anticipated to be 30 or less, with sampling and analyses included in this Scope of Work.

- A certified compaction report will not be part of this Scope of Work.

- ***AEH*** will rely on the soils information provided within the geotechnical report prepared by GeoCon West, Inc. for this site.

Scope Of Work – Procedure 5 Asbestos Abatement Deliverables

Asbestos containing vinyl floor tile (both red and white layers containing chrysotile in excess of 5%) was identified on the slab of the former *Auto Collision Center* building in the extreme northwest corner of the property. This building has now been razed. The aerial extent of this tile which will need to be removed or abated prior to slab removal and subsequent surface disturbance is estimated at 250 square feet. Containment can be built around and over this area to abate the tile properly. *Old Town-Main, LLC.,* wishes to have the asbestos containing floor tile removed prior to sale or redevelopment; further surface disturbance.

The "Guidelines for Asbestos Site Clean-Ups", published by the South Coast Air Quality Management District (SCAQMD; under Rule 1403 - Procedure 5 Plans), requires specific particulate control procedures for any abatement project using an alternative combination of techniques and / or engineering controls to handle the asbestos containing materials (ACM) or asbestos containing waste material (ACWM) [Rule 1403(d)(1)(D)(v)]. Abatement project examples which require a Procedure 5 Plan include all asbestos site clean-ups, decontamination, open-air abatement and all demolition with asbestos. Disturbance of ACM which generates ACWM requires a Procedure 5 Plan to certify site remediation.

The Procedure 5 Plan will be brief, in outline form, and not more than four pages long (in most cases) and will include the following (*if applicable*):

- Scope of the overall project.
- Asbestos material(s) at the site, its condition, type, amount and specific location(s) within the site.
- Abatement project stages with dates and time lines.
- Provisions for site preparation and control, prevention of contamination / migration and site ingress / egress zones.
- Engineering work practices and asbestos emission controls.
- A description of procedures for work area clean-up and / or decontamination after bulk removal.
- Provisions for handling, storing, transporting and disposing of the asbestos containing waste generated by abatement activities.
- Air monitoring type(s) and clearance level to be achieved (*if applicable*).
- Type and amount of asbestos remaining on site (if any) to be removed or managed in place and by whom. *Removal of intact ACM and PACM remaining on site is a separate project and not covered by the plan approval.*

Required Procedure 5 Plan Attachment Development

Procedure 5 plans require preparation and submittal of certain attachments which are expected to include:

- **Procedure 5 Notification form** with scheduled project dates (The Procedure 5 Plan will not be approved without a contractor notification to the SCAQMD or proof of fees).
- **Site Survey Inspection Report** documenting the cause of the asbestos disturbance, extent of the site contamination, and the CAC's observations, findings, recommendations, and response action(s)

  NOTE: Survey Report will comply with 40 CFR § 763- Subpart E; and SCAQMD Rule 1403(d)(1)(A), plus the California Business & Professions Code § 7180 requirements].
- Sample(s) chain of custody and the lab analysis report must be included as part of the formal survey report.
- Site map, plot plan, or drawing, showing street names and nearby sensitive receptors.
- Photographs (if available) with identifying notations to assist in evaluating the project.
- List of companies and contacts involved in the asbestos clean-up project.
- List of AQMD permitted equipment to be used in the project including serial and permit numbers.
- Signature of the California Certified Asbestos Consultant (CAC) which prepared the plan.
- CEQA Applicability Form 400 for any demolition, excavation or site grading activity exceeding 20,000 sq. ft. (*not applicable*).

Asbestos Abatement Project Oversight

Atkins Environmental HELP, Inc. proposes to coordinate and oversee a Scope of Work to be performed by *Precision Environmental* (see attached proposal #151111MYAt-Lyons Main from *Precision Environmental*). ***AEH*** will see to it all labor, equipment, materials, required clearance sampling (if applicable) and supervision required to perform and complete the proposed project work is provided.

AEH recommends the Procedure 5 Plan be presented as an "open air" abatement, as this will require less investment. If this approach is rejected by the SCAQMD, then *Precision Environmental* will need to construct a temporary containment structure around and over the affected area; performing a conventional abatement. This will require the larger investment which serves as the basis for the bid from *Precision Environmental* below. Regardless, the abatement project must be an agreement between Serrano and the licensed asbestos abatement contractor selected to perform this work.

Limitations and Exclusions – Asbestos Abatement Project

- The proposed asbestos abatement work is limited to the field days outlined in the proposal from *Precision Environmental*.

- Construction of containment plus actual abatement is estimated at two (2) field days or less.

- If the fieldwork will take longer, the client will be notified and acceptable alternative arrangements made.

- It is anticipated the SCAQMD will take a few days to two weeks to review and approve the Procedure 5 Plan developed for this project. ***AEH*** will not be responsible for delays caused by the SCAQMD.

- Asbestos clearance testing will be performed by a subcontractor to ***AEH***. The budget for this testing requirement is estimated at $600 and is included in this Scope of Work.

- Implementation of the elements of the Procedure 5 Plan will not take more than two (2) field days (including asbestos clean-up).

Asbestos Abatement Project Oversight Estimated Investment and Terms

All of the work outlined in this Scope of Work for Preparation and SCAQMD Approval of a Procedure 5 Workplan, plus asbestos abatement project oversight will be completed in a workmanlike manner for an estimated investment of up to **$**3,497.00 payable from Old Town-Main, LLC., to ***AEH***.

Actual abatement will be performed by *Precision Environmental* pursuant to their agreement with Old Town-Main, LLC. (and payable to *Precision Environmental* directly by Old Town-Main, LLC.) submitted to Ms. Tai Lane (proposal #151111MYAt-Lyons Main). The asbestos abatement project work has been estimated at $4,950.71 by *Precision Environmental*, bringing **the total for this** project to **$8,447.71**.

Any work required and authorized but not itemized above will be performed on a time and materials basis. Only items specified in this Scope of Work are included. ***AEH*** will notify you immediately and receive your authorization to proceed prior to going beyond budget. The estimated total investment is only for the performance of this specific scope of work outlined above.

The following assumptions have been made for purposes of this estimated investment quotation:

- Procedure 5 Plan approval will occur within two weeks from submittal.
- The required asbestos containment can be constructed within one (1) day.
- Actual asbestos abatement and clean-up will take less than two (2) days in the field.
- Clearance testing analytical can be performed same day or within 24 hours.

Estimated Grand Total Investment for Both Projects

All of the work outlined in both of these Scopes of Work will be completed in a workmanlike manner. With a reasonable contingency added for rounding purposes, the estimated grand total investment is $300,000, which includes all regulatory authority fees, registrations, applications and permits.

Estimated Grand Total Investment for Both Projects (continued)

Any work required and authorized but not itemized above will be performed on a time and materials basis. Only items specified in this Scope of Work are included.

This offer supersedes all prior offers, bids, oral agreements and negotiations of the parties for the subject work, and no other agreements exist except as are contained in writing herein.

Monthly progress payments will be based on work completed.

If site mitigation work is to commence, it will be billed on a time and materials not-to-exceed basis using the above grand total estimates as a guide. Billing and project updates can be expected on a scheduled basis, agreed to by both parties but not to exceed 14 calendars days between reports.

Estimated Work Schedule

AEH plans to commence the project within a mutually agreeable scheduled date after receipt of written approval. A detailed schedule consistent with your priorities will be developed.

Please execute the acceptance below and return a copy of this proposal to this office. ***AEH*** will be pleased to revise this offer as may be required in a manner acceptable mutually.

Thank you for the opportunity to present this proposal and serve the environmental needs of ***Old Town-Main, LLC***. Please e-mail bjatkins@atkinsenvironmental.com or call.

Yours very truly,

B. J. Atkins
President
Atkins Environmental HELP, Inc.

Accepted by:

Signature _____ Date _____
Authorized Agent for ***Old Town-Main, LLC***

Printed Name _____ Title _____

GENERAL TERMS AND CONDITIONS

WARRANTY. ***ATKINS ENVIRONMENTAL HELP, INC. (AEH)*** provides services in accordance with generally accepted professional practices in its fields of specialty. No other warranty or representation, either expressed or implied, is included or intended as part of its services, proposals, agreements, or reports.

SCOPE AND EXECUTION OF SERVICES. ***AEH*** will diligently proceed with the agreed upon scope of services and will provide such services in a timely manner. However, the time required for completion of services may vary due to conditions unknown to or beyond the control of ***AEH.*** No warranties are granted regarding the time required for ***AEH*** completion of its duties under this contract. ***AEH*** will not be responsible for any damages, consequential or otherwise, caused by delay in the completion of its services. ***AEH*** shall not be considered in default in performance of its obligations where performance of any obligation is prevented or delayed by any cause which is beyond its reasonable control. In the event the Client requests termination of services prior to completion, ***AEH*** 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 work performed to date of determination. A termination charge of up to 30 percent of charges incurred to date of notice of termination by the Client may be made at the discretion of ***AEH***.

COMMENCEMENT OF WORK. The work shall commence immediately upon receipt of notice to proceed or upon signing of the work proposal by an authorized company representative. If, after commencement of the work, the project is delayed for any reason beyond the control of ***AEH*** for more than 60 days, the terms and conditions contained herein are subject to revision.

TERMS OF PAYMENT. All invoices shall be due and payable upon receipt. Accounts are considered past due if payment has not been received within 10 days of the date of invoice. All past due accounts are subject to a late charge of 1.5% per month on the outstanding balance. Monthly progress payment requests will be based on work completed.

RIGHT OF ENTRY. Client will furnish right of entry for ***AEH*** to make borings, take samples and/or perform necessary work within the boundaries of the work area.

SUBSURFACE OBSTRUCTIONS. Client shall be responsible for designating the location of all utility lines and other subsurface obstructions within the boundaries of the work area. ***AEH*** may assist Client in obtaining locator services to help Client in making such identification; Client will indemnify and hold ***AEH*** harmless against any damages, loss or liability arising out of or connected with the accuracy or inaccuracy of underground obstruction identification, excepting which arises from the active negligence of ***AEH***. In every instance Client will remain responsible for identification of underground obstructions.

LIMITATION OF LIABILITY. To the fullest extent permitted by law, Client agrees to limit the liability of ***AEH***, its owners and employees, for any acts, errors or omissions or breaches of contract to $5,000 or the amount of ***AEH's*** fee, whichever is greater. In no event shall ***AEH*** be liable for any indirect, special or consequential loss or damage or liability. Failure of Client to give written notice to ***AEH*** of any claim or negligent act, error or omission within one (1) year after completion of the services to be performed thereunder shall constitute a waive of said claim by Client.

INDEMNIFICATION. Subject to the limitation of liability above and the second sentence hereof, each party shall indemnify the other from third-party claims arising out of the negligence of the indemnifying party to the extent such loss or expense is caused by the party's negligence. In addition, Client agrees to indemnify, defend and hold ***AEH*** harmless from any loss, cost, damage or expense (including attorney's fees), arising out of or in connection with ***AEH's*** performance for any resulting environmental pollution or contamination except to the extent such pollution or contamination is newly caused or increased by the active negligence or willful misconduct of ***AEH***. **NO THIRD PARTY BENEFICIARIES.** There are no third party beneficiaries of this agreement between Client and ***AEH*** and no third party shall be entitled to rely upon any work performed or reports prepared by ***AEH*** thereunder for any purpose whatsoever. Client shall indemnify and hold ***AEH*** harmless against any liability to any third party for any loss, expenses, or damages arising out of or in connection with reliance by any such third party on any work performed or reports issued by ***AEH*** hereunder.

DISPUTES. Any controversy, claim or dispute shall be constructed and enforced in accordance with the laws of the state from which ***AEH*** services are procured. In any legal or arbitration proceedings brought by either party to enforce or interpret any of the terms or conditions of this Agreement including the collection of any payments due thereunder, the prevailing party shall be entitled to recover all reasonable costs incurred in defense of the claim, including staff time at current billing rates, court costs, attorneys' fees, and other claim-related expenses.

OTHER. If ***AEH*** is requested to respond to any mandatory orders for the production of documents or witnesses on Client's behalf regarding work performed by ***AEH***, Client agrees to pay all costs incurred by ***AEH***, not reimbursed by others in responding to such order, including staff time at current billing rates and reproduction expenses.

These General Terms and Conditions shall be used in combination with a Professional Service Agreement proposal, purchase order or contract. The intent will be for ***AEH*** to be engaged as general contractor for the site clearance portion of this project.
These combined documents shall be the entire agreement and shall supersede any other agreements written or oral, between Client and ***AEH*** relating to such matter. In case of conflict or inconsistency between these General Terms and Conditions and any other contract documents (excepting payment provisions), these General Terms and Conditions shall control. If unenforceable, the document(s) shall remain in effect to the extent permitted by law. The Terms and Conditions of this document, taken as a whole, shall be null and void at ***AEH's*** option if Client has not signed and returned a copy of the entire Agreement to ***AEH*** prior to commencement of work by ***AEH***.