

**Council Meeting: January 4, 2011****SUBJECT: Award of Contract for Environmental Remediation Planning and Oversight for Morse Park (F1011-45)****BACKGROUND**

Approval is requested to award a contract to Erler & Kalinowski, Inc. (EKI) in an amount not to exceed \$585,200 (\$532,000 plus a 10% design contingency) to perform environmental remediation planning and oversight for the conversion of Fair Oaks Industrial Park to Morse Avenue Neighborhood Park. Award of this contract was referenced in RTC No. 10-291 (Information Only Update #4 Regarding Morse Avenue Park Site Development), dated October 26, 2010.

The Morse Avenue Neighborhood Park Project Development project has been in the City's long term capital improvement plans since the City purchased the future park site property, currently occupied by Fair Oaks Industrial Park, in 1990. The project was scheduled for environmental assessment/CEQA documentation in FY 2008/2009, park design in FY 2009/2010, demolition of the existing facility in FY 2010/2011 and new park construction in FY 2011/2012.

Environmental evaluation began in 2009, with a Phase I Environmental Assessment performed by URS Corporation. The report, issued in June 2009, was an environmental overview of the site, but indicated the potential for asbestos and/or lead paint in the existing buildings and pesticide residue on the property due to a history of agricultural land use in the vicinity. A contract for a detailed Phase II Environmental Evaluation in the amount of \$57,500 was issued to Erler & Kalinowski, Inc. (EKI) under the City Manager's signature authority in February 2010. The contract was amended by Council on June 29, 2010 (RTC #10-177) to increase the contract value to \$152,100 for additional soil sampling and expanded work scope after elevated lead and arsenic levels were discovered in the shallow soil at the site, probably due to the use of lead-arsenate as a pesticide in previous orchard use of the land.

DISCUSSION

The next environmental steps for the project are to (1) enter into an agreement with a State environmental regulatory agency to oversee the remediation process, (2) prepare the required remediation planning documents for approval by the State, (3) develop abatement, demolition, and remediation plans and specifications suitable for public bidding, and (4) perform the abatement, demolition and remediation with the appropriate oversight.

The October 26, 2010 Information Only Update #4, (RTC No. 10-291) reported that the project's next steps will include a detailed review of all the costs budgeted for the project, including costs from this contract and any additional costs not covered in the project budget. As the project continues to move forward, related costs have become more known. Engineering estimates now suggest that the total cost for park development may be in excess of \$8.5 million, a difference over twice the cost of the adopted budget. Much of this difference is related to the cost of the remediation work; however, other items have added to the costs that were not planned when the project was initially proposed.

As EKI progresses with environmental remediation design and the project moves into the remediation phase, staff will return to Council with a recommended Budget Modification to fund total project costs.

Specifications for environmental remediation planning and oversight for the next phases of the project were prepared by Public Works and Purchasing staff, and Request for Proposals No. SVW-018 was distributed to six (6) consultants who were pre-qualified in the Environmental Services category in conjunction with the **Sunnyvale Works!** program.

One proposal was received, from EKI, in the amount of \$532,000. A review of the proposal by staff indicates their pricing is appropriate for the level of work proposed. Staff recommends the award of a contract to EKI.

FISCAL IMPACT

Contract costs are as follows:

Environmental remediation planning and oversight services	\$532,000
Design contingency (10%)	<u>\$53,200</u>
Total cost	<u>\$585,200</u>

Funds are available in Capital Project 808352 (Morse Avenue Neighborhood Park Development).

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

Copies of this report were also provided to the presidents of the nearby Neighborhood Associations, to local residents who have contacted the City in regards to the status of the Morse Avenue Park project and to the "Friends of

Parks and Recreation” e-mail list (a list of organizations and individuals who have expressed an interest in Parks and Recreation issues).

RECOMMENDATION

It is recommended that Council:

1. Award a contract to Erler & Kalinowski, Inc. (EKI), in substantially the same form as the attached draft Consultant Services Agreement and in an amount not to exceed \$532,000, for Environmental Remediation Planning and Oversight for Morse Park; and
2. Approve a 10% design contingency in the amount of \$53,200.

Reviewed by:

Grace K. Leung, Director of Finance
Prepared by: Pete Gonda, Purchasing Officer

Reviewed by:

Marvin Rose, Director of Public Works

Reviewed by:

Robert Walker, Assistant City Manager

Approved by:

Gary M. Luebbers
City Manager

Attachments

- A. Draft Consultant Services Agreement

**ATTACHEMENT A
DRAFT**

**CONSULTANT SERVICES AGREEMENT BETWEEN CITY OF SUNNYVALE AND ERLER &
KALINOWSKI, INC.(EKI) FOR ENVIRONMENTAL REMEDIATION PLANNING AND
OVERSIGHT FOR MORSE PARK**

THIS AGREEMENT dated _____ is by and between the CITY OF SUNNYVALE, a municipal corporation ("CITY"), and ERLER & KALINOWSKI, INC. (EKI) ("CONSULTANT").

WHEREAS, CITY desires to secure professional services necessary for investigation, analysis, design, preparation of construction drawings and contract specifications, consultation, services during construction and other services for a project known as Morse Avenue Neighborhood Park Environmental Remediation, and

WHEREAS, CONSULTANT represents that it, and its sub-consultants, if any, possess the professional qualifications and expertise to provide the required services and are licensed by the State of California to practice engineering in the required disciplines;

NOW, THEREFORE, THE PARTIES ENTER INTO THIS AGREEMENT.

1. Services by CONSULTANT

CONSULTANT shall provide services in accordance with Exhibit "A" entitled "Scope of Work." All exhibits referenced in this Agreement are attached hereto and are incorporated herein by reference. To accomplish that end, CONSULTANT agrees to assign Michelle King, Ph.D. to this project, to act in the capacity of Project Manager and personally direct the professional services to be provided by CONSULTANT.

Except as specified in this Agreement, CONSULTANT shall furnish all technical and professional services, including labor, material, equipment, transportation, supervision and expertise to perform all operations necessary and required to satisfactorily complete the services required in this Agreement.

2. Notice to Proceed/Completion of Services

(a) CONSULTANT shall commence services upon receipt of a Notice to Proceed from CITY. Notice shall be deemed to have occurred three (3) calendar days after deposit in the regular course of the United States mail.

(b) When CITY determines that CONSULTANT has satisfactorily completed the services defined in Exhibit "A," CITY shall give CONSULTANT written Notice of Final Acceptance, and CONSULTANT shall not incur any further costs hereunder. CONSULTANT may request this determination of completion when, in its opinion, it has satisfactorily completed the Scope of Work (Exhibit "A"), and if so requested, CITY shall make this determination within fourteen (14) days of such request.

3. Project Schedule

The Project Schedule is set forth in the attached Exhibit "A-1."

4. Payment of Fees and Expenses

Payments shall be made to CONSULTANT on a monthly basis as set forth in the attached Exhibit "B" entitled "Compensation Schedule." All compensation will be based on monthly billings as provided in Exhibit "B." Compensation will not be due until said detailed billing is submitted to CITY within a reasonable time before payment is expected to allow for normal CITY processing. An estimate of the percent of total completion

associated with the various categories of the services shall be furnished by CONSULTANT with said billing. When applicable, copies of pertinent financial records will be included with the submission of billing(s) for all direct reimbursables. Compensation shall not exceed the amounts set forth in Exhibit "B" for each phase. In no event shall the total amount of compensation payable under this agreement exceed the sum of Five Hundred Thirty Two Thousand and No/100 Dollars (\$532,000.00) unless upon written modification of this Agreement. All invoices, including detailed backup, shall be sent to City of Sunnyvale, attention Accounts Payable, P.O. Box 3707, Sunnyvale, CA 94088-3707.

5. No Assignment of Agreement

CONSULTANT bind themselves, their partners, successors, assigns, executors, and administrators to all covenants of this Agreement. Except as otherwise set forth in this Agreement, no interest in this Agreement or any of the work provided for under this Agreement shall be assigned or transferred, either voluntarily or by operation of law, without the prior written approval of CITY. However, claims for money due to or to become due to CONSULTANT from CITY under this Agreement may be assigned to a bank, trust company or other financial institutions, or to a trustee in bankruptcy, provided that written notice of any such assignment or transfer shall be first furnished to CITY. In case of the death of one or more members of CONSULTANT's firm, the surviving member or members shall complete the services covered by this Agreement. Any such assignment shall not relieve CONSULTANT from any liability under the terms of this Agreement.

6. Consultant is an Independent Contractor

CONSULTANT is not an agent or employee of CITY but is an independent contractor with full rights to manage its employees subject to the requirements of the law. All persons employed by CONSULTANT in connection with this Agreement will be employees of CONSULTANT and not employees of CITY in any respect. CONSULTANT is responsible for obtaining statutory Workers' Compensation coverage for its employees.

7. Consultant's Services to be Approved by a Registered Professional

All reports, costs estimates, plans and other documents which may be submitted or furnished by CONSULTANT shall be approved and signed by a qualified registered professional in the State of California. The title sheet for calculations, specifications and reports, and each sheet of plans, shall bear the professional seal, certificate number, registration classification, expiration date of certificate and signature of the professional responsible for their preparation.

8. Standard of Workmanship

CONSULTANT represents and maintains that it is skilled in the professional calling necessary to perform the services and its duties and obligations, expressed and implied, contained herein, and CITY expressly relies upon CONSULTANT's representations regarding its skills and knowledge. CONSULTANT shall perform such services and duties in conformance to and consistent with the standards generally recognized as being employed by professionals in the same discipline in the State of California.

The plans, designs, specifications, estimates, calculations reports and other documents furnished under the Scope of Work (Exhibit "A") shall be of a quality acceptable to CITY. The criteria for acceptance of the work provided under this Agreement shall be a product of neat appearance, well-organized, technically and grammatically correct, checked and having the maker and checker identified. The minimum standard of appearance, organization and content of the drawings shall be that used by CITY for similar projects.

9. Responsibility of CONSULTANT

CONSULTANT shall be responsible for the professional quality, technical accuracy and the coordination of the services furnished by it under this Agreement. Neither CITY's review, acceptance nor payment for any of the services required under this Agreement shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement and CONSULTANT shall be and remain liable to CITY in accordance with applicable law for all damages to CITY caused by CONSULTANT's negligent performance of any of the services furnished under this Agreement.

Any acceptance by CITY of plans, specifications, calculations, construction contract documents, reports, diagrams, maps and other material prepared by CONSULTANT shall not, in any respect, absolve CONSULTANT for the responsibility CONSULTANT has in accordance with customary standards of good engineering practice in compliance with applicable Federal, State, County and/or municipal laws, ordinances, regulations, rules and orders.

10. Right of CITY to Inspect Records of CONSULTANT

CITY, through its authorized employees, representatives, or agents, shall have the right, at any and all reasonable times, to audit the books and records including, but not limited to, invoices, vouchers, canceled checks, time cards of CONSULTANT for the purpose of verifying any and all charges made by CONSULTANT in connection with this Agreement. CONSULTANT shall maintain for a minimum period of three (3) years from the date of final payment to CONSULTANT or for any longer period required by law, sufficient books and records in accordance with generally accepted accounting practices to establish the correctness of all charges submitted to CITY by CONSULTANT. Any expenses not so recorded shall be disallowed by CITY.

11. Confidentiality of Material

All ideas, memoranda, specifications, plans, calculations, manufacturing procedures, data, drawings, descriptions, documents, discussions or other information developed or received by or for CONSULTANT and all other written information submitted to CONSULTANT in connection with the performance of this Agreement shall be held confidential by CONSULTANT and shall not, without the prior written consent of CITY be used for any purposes other than the performance of the Project services, nor be disclosed to an entity not connected with the performance of the Project services. Nothing furnished to CONSULTANT which is otherwise known to CONSULTANT or is or becomes generally known to the related industry shall be deemed confidential. CONSULTANT shall not use CITY's name, insignia or distribute exploitative publicity pertaining to the services rendered under this Agreement in any magazine, trade paper, newspaper or other medium without the express written consent of CITY.

12. No Pledging of CITY's Credit

Under no circumstances shall CONSULTANT have the authority or power to pledge the credit of CITY or incur any obligation in the name of CITY.

13. Ownership of Material

All material, including information developed on computer(s), which shall include, but not be limited to, data, sketches, tracings, drawings, plans, diagrams, quantities, estimates, specifications, proposals, tests, maps, calculations, photographs, reports and other material developed, collected, prepared or caused to be prepared, under this Agreement shall be the property of CITY, but CONSULTANT may retain and use copies thereof.

CITY shall not be limited, in any way, in its use of said material, at any time, for work associated with Project. However, CONSULTANT shall not be responsible for damages resulting from the use of said material for work other than Project, including, but not limited to the release of this material to third parties for work other than on Project.

14. Hold Harmless/Indemnification

To the extent permitted by law, CONSULTANT agrees to indemnify, defend and hold harmless CITY, its officers and employees from any and all claims, demands, actions, causes of action, losses, damages, liabilities, known or unknown, and all costs and expenses, including reasonable attorneys' fees in connection with any injury or damage to persons or property to the extent arising out of any negligent act, error, omission or negligence of CONSULTANT, its officers, employees, agents, contractor, subcontractors or any officer, agent or employee thereof in relation to CONSULTANT's performance under this Agreement. Such defense and indemnification shall not apply in any instance of and to the extent caused by the sole negligence or willful misconduct of CITY, its officers, employees, agents or representatives.

15. Insurance Requirements

CONSULTANT shall take out and maintain during the life of this Agreement policies of insurance as specified in Exhibit "C" attached and incorporated by reference, and shall provide all certificates and/or endorsements as specified in Exhibit "C."

16. No Third Party Beneficiary

This Agreement shall not be construed or deemed to be an agreement for the benefit of any third party or parties and no third party or parties shall have any claim or right of action hereunder for any cause whatsoever.

17. Notices

All notices required by this Agreement, other than invoices for payment which shall be sent directly to Accounts Payable, shall be in writing, and shall be personally delivered, sent by first class with postage prepaid, or by sent by commercial courier, addressed as follows:

To CITY: Manny Kadkhodayan, Senior Engineer
Department of Public Works
CITY OF SUNNYVALE
P. O. Box 3707
Sunnyvale, CA 94088-3707

To CONSULTANT: ERLER & KALINOWSKI, INC. (EKI)
Attn: Michelle King, Ph.D.
1870 Ogden Drive
Burlingame, CA 94010

Nothing in this provision shall be construed to prohibit communication by more expedient means, such as by telephone or facsimile transmission, to accomplish timely communication. However, to constitute effective notice, written confirmation of a telephone conversation or an original of a facsimile transmission must be sent by first class mail, by commercial carrier, or hand-delivered. Each party may change the address by written notice in accordance with this paragraph. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of three days after mailing, unless such date is a date on which there is no mail service. In that event communication is deemed to occur on the next mail service day.

18. Waiver

CONSULTANT agrees that waiver by CITY of any one or more of the conditions of performance under this Agreement shall not be construed as waiver(s) of any other condition of performance under this Agreement.

19. Amendments

No alterations or changes to the terms of this Agreement shall be valid unless made in writing and signed by both parties.

20. Integrated Agreement

This Agreement embodies the agreement between CITY and CONSULTANT and its terms and conditions. No verbal agreements or conversation with any officer, agent or employee of CITY prior to execution of this Agreement shall affect or modify any of the terms or obligations contained in any documents comprising this Agreement. Any such verbal agreement shall be considered as unofficial information and in no way binding upon CITY.

21. Conflict of Interest

CONSULTANT certifies that to the best of its knowledge, no CITY employee or officer of any public agency interested in this Agreement has any pecuniary interest in the business of CONSULTANT and that no person associated with CONSULTANT has any interest that would conflict in any manner or degree with the performance of this Agreement.

22. California Agreement

This Agreement has been entered into in the State of California and this Agreement shall be governed by California law.

23. Records, Reports and Documentation

CONSULTANT shall maintain complete and accurate records of its operation, including any and all additional records required by CITY in writing. CONSULTANT shall submit to CITY any and all reports concerning its performance under this Agreement that may be requested by CITY in writing. CONSULTANT agrees to assist CITY in meeting CITY's reporting requirements to the state and other agencies with respect to CONSULTANT's work hereunder. All records, reports and documentation relating to the work performed under this Agreement shall be made available to City during the term of this Agreement.

24. Termination of Agreement

If CONSULTANT defaults in the performance of this Agreement, or materially breaches any of its provisions, CITY at its option may terminate this Agreement by giving written notice to CONSULTANT. If CITY fails to pay CONSULTANT, CONSULTANT at its option may terminate this Agreement if the failure is not remedied by CITY within thirty (30) days after written notification of failure to pay.

Without limitation to such rights or remedies as CITY shall otherwise have by law, CITY also shall have the right to terminate this Agreement for any reason upon ten (10) days' written notice to CONSULTANT. In the event of such termination, CONSULTANT shall be compensated in proportion to the percentage of services performed or materials furnished (in relation to the total which would have been performed or furnished) through the date of receipt of notification from CITY to terminate. CONSULTANT shall present CITY with any work product completed at that point in time.

25. Subcontracting

None of the services covered by this Agreement shall be subcontracted without the prior written consent of CITY. Such consent may be issued with notice to proceed if subcontract consultants are listed in the project work plan.

26. Fair Employment

CONSULTANT shall not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, condition of physical handicap, religion, ethnic background or marital status, in violation of state or federal law.

27. Changes

CITY or CONSULTANT may, from time to time, request changes in the terms and conditions of this Agreement. Such changes, which are mutually agreed upon by CITY and CONSULTANT, shall be incorporated in amendments to this Agreement.

28. Other Agreements

This Agreement shall not prevent either Party from entering into similar agreements with others.

29. Severability Clause

In case any one or more of the provisions contained herein shall, for any reason, be held invalid, illegal or unenforceable in any respect, it shall not affect the validity of the other provisions which shall remain in full force and effect.

30. Captions

The captions of the various sections, paragraphs and subparagraphs, of the contract are for convenience only and shall not be considered nor referred to for resolving questions of interpretation.

31. Entire Agreement; Amendment

This writing constitutes the entire agreement between the parties relating to the services to be performed or materials to be furnished hereunder. No modification of this Agreement shall be effective unless and until such modification is evidenced by writing signed by all parties.

32. Miscellaneous

Time shall be of the essence in this Agreement. Failure on the part of either party to enforce any provision of this Agreement shall not be construed as a waiver of the right to compel enforcement of such provision or any other provision. This Agreement shall be governed and construed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement.

ATTEST:

CITY OF SUNNYVALE ("CITY")

By _____
City Clerk

By _____
City Manager

ERLER & KALINOWSKI, INC. (EKI)
("CONSULTANT")

By _____

APPROVED AS TO FORM:

Name/Title

City Attorney

By _____

Name/Title



Proposal for Environmental Remediation Planning and Oversight for Morse Park (SVW-018)

Prepared for:

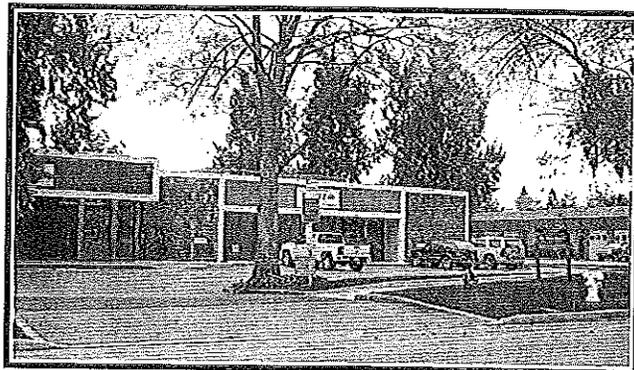
City of Sunnyvale
650 West Olive Avenue
Sunnyvale, California 94086

Prepared by:

Erler & Kalinowski, Inc.
1870 Ogden Drive
Burlingame, California 94010
www.ekiconsult.com

1 December 2010

EKI B0-088



1 December 2010

Mr. David Gakle, Principal Buyer
City of Sunnyvale
650 West Olive Avenue
Sunnyvale, California 94086

Subject: Proposal for Environmental Remediation Planning and Oversight for Morse
Park, Sunnyvale, California (SVW-018)
(EKI B0-088)

Dear Mr. Gakle:

Erler & Kalinowski Inc. ("EKI") is pleased to submit to the City of Sunnyvale (the City") this Proposal for environmental remediation planning and oversight for the City's planned redevelopment of the 5.3-acre Fair Oaks Industrial Park, located at 1010 to 1024 Morse Avenue, Sunnyvale, California ("subject property"), into a neighborhood park. This Proposal is being submitted by EKI in accordance with the *Proposal Submittal Instructions for Environmental Remediation Planning and Oversight for Morse Park* ("RFP"), prepared by the City (City RFP # SVW-018).

EKI understands that the subject property is currently owned by the City and was leased to tenants for private industrial use. The tenants have all vacated the property and the City has initiated the planning process to redevelop the subject property into a public park. The subject property is impacted with arsenic and lead, likely associated with historical application of herbicides to the subject property when it was an orchard. The consultant services being requested by the City include preparation of remediation plan and associated documents for approval by an environmental regulatory agency, preparation of plans and specifications for demolition and remediation of the subject property, coordination with City staff and the park design team regarding the remediation and California Environmental Quality Act ("CEQA") process, and construction observations services during demolition and remediation, including associated reporting and regulatory agency liaison. Other services being requested by the City include follow-on services associated with potential cultural or archaeological resources.

EKI assisted the City with two phases of environmental investigations on the subject property. Based on these investigations, EKI believes the subject property is adequately characterized to develop a remediation plan for approval by a State of California environmental regulatory agency and for landfills to accept the soil for disposal purposes.



EKI also assisted the City with the conceptual planning of the follow-on services described in the RFP and attended meetings with City staff and SSA Landscape Architects, Inc. to discuss remediation of the subject property in the context of the City's plan for a park. As such, EKI fully understands the project and does not have require a "start up" period to become familiar with the project and the team members.

EKI has provided consulting services to the City of Menlo Park, City of Fremont, and City of Emeryville for similar projects that included the preparation of remediation documents, plans and specifications, and performance of construction observation services. The Fremont and Emeryville projects were completed under the oversight of the California Department of Toxic Substances Control ("DTSC") and Menlo Park was completed under the oversight of San Mateo County Environmental Health Services Agency.

For the City's project, EKI proposes to use the same team that performed the hazardous materials assessment (The Cohen Group) and the cultural resources survey (Garcia & Associates) at the subject property. Together, the EKI team has the experience, expertise, and familiarity with the project to assist the City with the remediation and redevelopment of the subject property into a park.

This Proposal includes the following elements: (1) introduction and project understanding section; (2) the scope of work to perform the remediation planning and oversight services requested by the City, (3) a time schedule (Gantt chart) to perform the requested services, and (3) identification and summary of qualifications of key project personnel including their availability to work on the project. As requested by the City, the pricing for the project (i.e., proposed project budget) is included with this bid package in a separate, sealed envelope.

We sincerely appreciate the opportunity to continue to assist the City of Sunnyvale with the environmental remediation planning and oversight for the Morse Park project. If you have any questions regarding this Proposal, please contact me at (650) 292-9100 or mkking@ekiconsult.com.

Very truly yours,

ERLER & KALINOWSKI, INC.

A handwritten signature in black ink, appearing to read 'Michelle King', written in a cursive style.

Michelle K. King, Ph.D.
Principal-in-Charge and Project Manager

1.0 INTRODUCTION

Erler & Kalinowski, Inc. ("EKI") is pleased to present to the City of Sunnyvale (the "City") this proposal ("Proposal") to provide environmental consulting services related to the Fair Oaks Industrial Complex located at 1010 to 1024 Morse Avenue in Sunnyvale, California (the "subject property"). EKI understands that the City is interested in redeveloping the subject property as a neighborhood park. This Proposal is being submitted by EKI in accordance with the Proposal Submittal Instructions for Environmental Remediation Planning and Oversight for Morse Park ("RFP"), prepared by the City (City RFP # SVW-018).

EKI understands the subject property comprises approximately 5.3 acres and is currently owned by the City. The subject property was previously leased to tenants for private industrial use, and includes four wooden-framed, single-story, multi-tenant buildings each approximately 17,000 square feet in size, and one concrete tilt-up building approximately 17,000 square feet in size. The buildings are surrounded by paved parking areas. EKI understands the subject property was developed initially in the late 1970s or early 1980s, and was in agricultural use prior to development.

Based on the City's RFP, the City intends to demolish the existing structures and redevelop the subject property into a public park. The tenants have all vacated the property and the City has initiated the planning process to redevelop the subject property into a public park. The subject property is impacted with arsenic and lead, likely associated with historical application of

herbicides to the subject property when it was an orchard. The consultant services being requested by the City include preparation of remediation plan and associated documents for approval by an environmental regulatory agency, preparation of plans and specifications for demolition and remediation of the subject property, coordination with City staff and the park design team regarding the remediation and California Environmental Quality Act ("CEQA") process, and construction observations services during demolition and remediation, including associated reporting and regulatory agency liaison. Other services being requested by the City include follow-on services associated with potential cultural or archaeological resources. Other services being requested by the City include evaluation of the subject property for the presence of significant cultural or archaeological resources.

The proposed Scope of Work is presented in Section 2 of this Proposal, the proposed time schedule to perform the work is presented in Section 3, and Section 4 identifies and summarizes qualifications of key project personnel including their availability to work on the project. As requested by the City, the pricing for the project (i.e., proposed project budget) is being submitted to the City in a separate, sealed envelope that accompanies this Proposal.

1.1 Background

In June 2009, URS completed a Phase I environmental site assessment ("Phase I ESA") for the subject property on behalf of the City. Based on the information presented in the Phase I ESA in accordance with EKI's Agreement with

the City, dated 25 February 2010, and the Amendment, dated 6 July 2010, EKI completed the following major tasks on behalf of the City:

- Performed a Phase II subsurface investigation at the subject property, and presented the results in a draft report, dated 7 April 2010;
- Retained the services of The Cohen Group to perform an asbestos, lead, and hazardous materials building survey of the subject property (report dated 22 April 2010);
- Retained the services of Garcia & Associates ("GANDA") to perform a cultural resources survey of the subject property (report dated April 2010);
- Performed grid sampling of shallow soil at the subject property, and presented the results in a report, dated October 2010;
- Performed additional sample analysis to assess whether the soil at the subject property might be classified as a hazardous waste once excavated (results included in the October 2010 report);
- Prepared an Opinion of Estimated Costs, dated 12 August 2010, which included estimates for several potential remediation scenarios;
- Prepared for and attended meetings and conference calls when requested by the City; and
- Provided general consulting services, including the review of staff reports, preparation of exhibits identifying the potential regulatory process, approach, and pros and cons of remedial alternatives.

The soil investigation by EKI identified the presence of lead and arsenic in shallow

soil on the subject property at concentrations above potentially relevant environmental regulatory screening criteria for unrestricted land use, and above typical background concentrations for South Bay Area soils. The presence of elevated lead and arsenic in soil on the subject property appears to be due to the previous orchard use of the subject property, e.g., possible application of lead-arsenate as a pesticide.

1.2 Overview of Scope

As requested by the City, EKI has prepared this proposal to provide consulting services associated with site remediation planning, oversight, and redevelopment. More specifically, as presented below in Tasks 1 through 11, this Proposal provides for the following services:

- Task 1: Assist with Lead Regulatory Agency Selection Process
- Task 2: Prepare Current Conditions Report or Preliminary Endangerment Assessment
- Task 3: Prepare Feasibility Study and Remedial Action Plan ("RAP")
- Task 4: Prepare Remedial Design Implementation Report
- Task 5: Prepare Demolition and Remediation Plans and Specifications
- Task 6: Perform Construction Observation Services during Demolition and Remediation
- Task 7: Prepare Construction Completion Report
- Task 8: Coordinate with City Staff and Park Design Team Regarding Design

Issues and California Environmental Quality Act ("CEQA") Compliance

- Task 9: Perform Cultural Resources Field Survey (by Garcia & Associates or GANDA)
- Task 10: Prepare for and Attend Meetings with Lead Regulatory Agency and City
- Task 11: Provide On-going Project Management and Consulting Services for City Staff.

It should be noted that the proposed Scope of Work and budget included in this Proposal is an estimate. EKI has estimated the level of effort to complete the project based on the Scope of Work included in the RFP, our current understanding of the project, and our experience working with state regulatory agencies. At this time, the City has not yet entered into an agreement with an oversight regulatory agency. In accordance with the RFP, EKI has assumed that the lead regulatory agency will be the Department of Toxic Substances Control ("DTSC"). EKI has also included the required documents and meetings that are assumed to be required to complete the project, as specified in the RFP. EKI has also made assumptions, among other things, regarding (a) the extent of remediation and confirmation sampling that will be required by the lead regulatory agency; and (b) the type and extent of air quality monitoring that will be required during remedial activities. EKI has further assumed that no additional soil or groundwater sampling will be required by (a) the lead regulatory agency to obtain approval of the remediation plan and (b) the disposal facility to profile and accept the soil for disposal.

In accordance with the RFP, EKI has included in the time to coordinate with the landscape architect, SSA Landscape Architects, Inc. ("SSA"), regarding the park design as it relates to remediation matters and project sequencing and approach. EKI understands that SSA is taking the lead on the CEQA process for the park project. As such, EKI has assumed that the CEQA review for the remediation project will be incorporated into the CEQA process for the park project and that the lead environmental regulatory agency will not require a separate CEQA process. In addition, EKI has assumed that public meetings and public review performed as part of the park project will include any needed meetings regarding the remediation (e.g., EKI has not included the preparation of a Public Participation Plan and advertising for public meetings). EKI has assumed that such services, if needed, will be provided directly by City community relations staff.

Many of the factors described above are outside of EKI's control. In the event that the level of effort to prepare additional detail or documents to meet the lead regulatory agency or other stakeholder requirements is different than that assumed, the City will be notified and the associated scope and budget will be discussed with the City at that time.

2.0 PROPOSED SCOPE OF WORK

EKI's Scope of Services for this Proposal, as presented in the RFP, is presented below.

Task 1 – Assist with Lead Regulatory Agency Selection Process

On behalf of the City, EKI will prepare an application for lead environmental regulatory agency selection under the Memorandum of Agreement ("MOA") between the California Regional Water Quality Control Board, San Francisco Bay Region ("RWQCB") and DTSC. Following submittal of such application, EKI will coordinate with the agencies, as needed, as part of the agency selection. It is likely the DTSC will be selected as the lead regulatory agency for the City's project because the primary issue of concern is lead and arsenic in soil, not an impact to groundwater. In accordance with the RFP, EKI has assumed that the lead regulatory agency will be DTSC; if the RWQCB is selected as the lead agency, the level of effort is likely to be similar to that assumed herein. As part of the regulatory oversight process, the City will be required to enter into a Voluntary Cleanup Agreement ("VCA") with the DTSC. The VCA will identify the series of documents, e.g., work plans and reports, needed for DTSC to approve of the remediation at the subject property. EKI has assumed that EKI and the City would attend a kick-off meeting with the DTSC to discuss the process and approach to achieving approvals from the lead agency prior to entering into the VCA. As part of this task, EKI will assist the City in the review of the VCA, as it relates to the scope of work (e.g., the document

deliverables being required by the DTSC) and the typical elements of a VCA; however, EKI has assumed that the City will take the lead in negotiating the VCA with the DTSC.

Task 2 – Prepare Current Conditions Report or Preliminary Endangerment Assessment-type Document

EKI has assumed that the DTSC would require that the current site investigation reports be combined and expanded into a more complete report that includes information about the site use history, the current site condition and chemicals of concern detected on subject property, development of a site conceptual model that describes the geology and hydrogeology of the site, potential human health and environmental exposure pathways to impacted soil, and an assessment of background concentrations of arsenic in soil. Chemical concentrations would be compared to published screening criteria and site-specific background concentrations. This type of report may be referred to as a "Current Conditions Report." If the regulatory agency required a screening human health risk as an element to the report, the report may be referred to as a "Preliminary Endangerment Assessment" or "PEA." The Current Conditions Report or PEA would likely recommend the preparation of a combined Feasibility Study and Remedial Action Plan ("FS/RAP") to address the elevated concentrations of arsenic and lead in soil.

EKI has assumed that a meeting will be held with DTSC to discuss the scope of the Current Conditions Report or PEA. EKI will present a preliminary approach to the

DTSC at that meeting. Based on that meeting, EKI will prepare the draft Current Conditions Report or PEA for review by the City. EKI will revise the draft report based on City comments and submit the report to DTSC for review and comment. EKI has assumed that DTSC's comments on the report will be minor and can be addressed in a response-to-comment letter. EKI has assumed that the draft report will be submitted to the City in electronic format for review and that 4 hard copies of the final report will be made for distribution to DTSC and the project team (City, SSA, and EKI). EKI will also prepare a PDF version of the report for distribution and for DTSC to upload onto its Envirostor website.

As indicated previously, EKI has assumed that no additional sampling will be required at the subject property. DTSC's review of the Current Conditions Report or PEA is the point at which they would typically identify a need for further site investigations.

Task 3 – Prepare Feasibility Study and Remedial Action Plan

Following completion of Task 2, EKI will prepare a FS/RAP for remediation of lead and arsenic in soil. For some projects, the FS and RAP are prepared as two separate documents. EKI has assumed that these documents can be combined into a single report to streamline the review process and accelerate the schedule. The task has been divided into subtasks, as described below.

Subtask 3A – Prepare Public Review Draft FS/RAP

EKI will prepare a Draft FS/RAP to be consistent with the National Oil and Hazardous Substances Pollution

Contingency Plan ("NCP") and #EO-95-007-PP titled Remedial Action Plan (RAP) Policy, and dated 16 November 1995. The Draft FS will include evaluation of potential remedial options, including the "no action" alternative. Each alternative will be evaluated for effectiveness, implementability or constructability, and relative cost. Based on this screening, feasible alternatives will be identified. The major alternatives will likely include excavation with off-site disposal and capping.

In addition to the initial screening evaluation of alternatives based on effectiveness, implementability, and relative cost, the NCP-consistent Draft FS will include:

- the identification of Applicable and Relevant or Appropriate Requirements ("ARARs"),
- detailed analysis of retained alternatives against the nine federal criteria
- protection of human health and the environment;
- compliance with ARARs;
- long-term effectiveness;
- reduction of toxicity, mobility, or volume through treatment;
- short-term effectiveness;
- implementability;
- cost;
- state acceptance;
- community acceptance; and
- analysis of retained alternatives against six similar State of California criteria identified in Section 26356.1 of

the California Health and Safety Code.

EKI has included scope and budget to conduct a technical meeting with the City present alternatives identified in the FS/RAP evaluation. It may be appropriate to have members of the park design team present at the meeting to confirm that the proposed alternatives are consistent with the potential park design concepts. Upon the City's acceptance of the alternatives, a meeting would be held with DTSC to discuss the applicable cleanup levels for the site and present proposed remedial alternatives considered in the FS/RAP. The RAP portion of the FS/RAP identifies and describes the proposed remedial alternative.

After the DTSC meeting, EKI will prepare the full text, tables, and figures of the Draft FS/RAP. Existing tables, cost estimates, and figures will be modified to be consistent with the agreed-upon cleanup levels and the proposed alternatives. If agreed to with DTSC, the FS/RAP will also incorporate contingency protocols to address unknown contamination if stained or odorous soil is encountered during demolition or remediation activities. The combined document will be submitted to the City for review and comment. EKI will incorporate comments, and submit the Draft FS/RAP to DTSC for review and comment. EKI and the City will then meet with the DTSC to discuss DTSC comments. EKI has assumed that after this initial meeting, EKI will incorporate the comments and have an electronic review round with DTSC. At this point, there may be telephone discussions to discuss the final comments prior to completion of the public review Draft FS/RAP. For budgeting purposes, EKI has included 10 hours for follow-up

discussions with the DTSC and City to confirm comments were addressed before the formal public comment period.

After DTSC concurs that the Draft FS/RAP is ready for public comment, EKI will produce up to 10 hard copies and 5 CDs of the public review Draft FS/RAP. EKI has assumed that the DTSC will not be performing its own CEQA review for the FS/RAP; rather the CEQA review will be incorporated into the overall park project's CEQA review (see Task 8).

Subtask 3B – Assist with Public Review Process for FS/RAP

As indicated above, EKI has assumed that the public review of the FS/RAP will be combined with the CEQA public review for the park process. However, EKI has assumed that it will (a) assist with the preparation of a fact sheet associated with remediation matters for the project and (b) participate in the public meeting. EKI's assistance with the CEQA process is included as part of Task 8.

For Subtask 3B, EKI will prepare a "plain English" summary of the environmental conditions of the subject property and the proposed remedy. EKI has also assumed that figures from the FS/RAP will be incorporated into the fact sheet. The formatting and distribution of the fact sheet is assumed to be performed by the City or the SSA team as part of the park process. As part of this task, EKI will prepare slides and poster boards (up to two) for presentation at the public meeting. EKI will prepare for and attend (a) a dry run of the public meeting with City and DTSC staff, and (b) the full public meeting.

Subtask 3C – Prepare Responsiveness Summary and Final FS/RAP

After comments are received on the public review Draft FS/RAP, EKI will meet with the City to discuss the comments and potential options to address the comments. EKI and the City will then meet with DTSC to discuss the comments and agree on an approach to address the comments. EKI will revise the FS/RAP based on public comments received and prepare a responsiveness summary for the comments associated with the remediation plan. EKI has assumed that the public comments will be minor and will not result in the need for significant modification to the proposed remedy in the FS/RAP.

EKI will submit the draft Final FS/RAP and responsiveness summary to the City for review and comment, followed by submittal to the DTSC for review and comment. EKI has assumed that the DTSC will provide its comments electronically (e.g., through redlines). EKI has also assumed that follow-up telephone discussions will occur with DTSC to enable the FS/RAP and responsiveness summary to be finalized. Once EKI and the City have verbal agreement with DTSC on the changes to the FS/RAP and responsiveness study, EKI will produce the Final FS/RAP. In accordance with the RFP, EKI has assumed that 5 hard copies and a PDF version of the Final FS/RAP will be prepared and distributed to the City and DTSC.

Task 4 – Prepare Remedial Design Implementation Report

The Remedial Design Implementation Report ("RDIP") is typically required by DTSC to provide the details for the

implementation of the selected remedial alternative. The draft RDIP will contain text sections, technical appendices and supporting information, including figures and tables, where appropriate, regarding typical RDIP project planning elements. In addition to describing the planned remedial actions and sequencing of the work, the draft RDIP will include preparation of the following plans:

- A Traffic Control and Waste Transportation Plan for the handling, transportation, and disposal of contaminated soil exceeding the remedial goals according to applicable regulations and in an environmentally sound manner.
- A Decontamination Plan that describes the procedures to be followed to clean equipment on the subject property, and to clean trucks and equipment leaving the subject property.
- A Dust Control Plan describing measures to be undertaken to limit generation of dust and measures to control such emissions should they occur.
- The key elements of a Storm Water Pollution Prevention Plan ("SWPPP") describing types of measures to be undertaken to limit storm water impacts from the subject property (the remediation contractor typically prepares the full SWPPP).
- A Sampling and Analysis Plan ("SAP") describing confirmation sampling procedures for removal of contaminants above the remedial goals. Post-excavation confirmation samples will be collected to verify that cleanup levels have been achieved.

- A Quality Assurance/Quality Control Plan ("QA/QC") that includes information on project organization and responsibilities with respect to sampling and analysis; quality assurance objectives for measurement including accuracy, precision, and method detection limits; sample custody procedures and documentation; field and laboratory calibration procedures; analytical procedures; laboratory to be used certified pursuant to California Health and Safety Code ("CHSC") section 25198; specific routine procedures used to assess data (precision, accuracy and completeness) and response actions; reporting procedure for measurement of system performance and data quality; data management, data reduction, validation and reporting; and internal quality control.
- A Site-Specific Health and Safety Plan ("HSP") will be prepared for EKI and the RDIP will include specifications of the contractor's Site-Specific HSP will be provided in the RDIP. The specifications for the contractor's HSP will include, among other things, employee training and personal protective equipment; training and medical surveillance requirements; personnel air monitoring, if warranted; standard operating procedures; and a contingency plan that conforms to the requirements of 29 Code of Federal Regulations ("CFR") 1910.120 et seq. and other applicable Federal and State laws and regulations, including CCR Title 8, Section 5192.
- A Perimeter Air Monitoring Plan to identify monitoring activities to protect the surrounding community from exposure to potential airborne

chemicals of concern and to evaluate adequacy of dust control methods being applied by the remediation contractor. The air monitoring program is assumed to utilize a combination of direct-reading instruments to provide real-time data during dust generating activities and may also include sampling for arsenic and lead.

EKI understands that the selected remedial contractor may wish to provide addenda to some of these plans submitted to DTSC in the RDIP, in order to clarify means or methods.

EKI has assumed that two meetings will be held with the City and DTSC to discuss the key elements of the RDIP, including the confirmation soil sampling requirements and the air monitoring plan. EKI will prepare the draft RDIP based on these discussions with the City and DTSC. The draft RDIP will be submitted to the City and the park project team (as appropriate) for review and comment. EKI will revise the draft RDIP and submit it to DTSC for review and comment. EKI and the City will then meet with the DTSC to discuss DTSC comments. EKI has assumed that after this initial meeting, EKI will incorporate the comments and have an electronic review round with DTSC. At this point, there may be telephone discussions to discuss the final comments prior to completion of the RDIP. EKI has included 6 hours for follow-up discussions with the DTSC and City to confirm comments were addressed. In accordance with the RFP, EKI has assumed that 5 hard copies and a PDF version of the RDIP will be prepared and distributed to the City and DTSC.

Task 5 – Demolition and Remediation Plans and Specifications

EKI will prepare plans and specifications suitable for obtaining public bids for the demolition of the buildings at the subject property and remediation of impacted soil at the subject property. The plans and specifications will be prepared in Construction Specification Institute ("CSI") format. EKI's subconsultant, The Cohen Group, will prepare the specification sections for hazardous materials abatement from buildings and building systems at the subject property. The EKI tasks are described in Subtask 5A. The Cohen Group tasks associated with preparation of the demolition specification are described in Subtask 5B.

Subtask 5A – EKI Preparation of Plans and Specifications

EKI will prepare technical specifications for the implementation of demolition and remediation, and incorporate the hazardous materials abatement requirements from The Cohen Group (Subtask 5B) into a single technical specification. The plans will be prepared on a base map supplied by SSA in AutoCAD format. EKI will retain the services of Ifland Survey to perform a survey of the sampling and remediation grid. The survey will be incorporated into the survey being completed by Ifland Survey on behalf of SSA. The technical specifications will include general requirements (e.g., summary of work, contractor submittals). The demolition plans will identify site buildings including estimated slab thickness and foundation depths and will include, if available, copies of actual plans for buildings and approximate locations and depths of

known site utilities, if provided by the City. Hazardous materials identified by The Cohen Group will be called out in the text. EKI has assumed that it will utilize the General Conditions for construction contracts supplied by the City. EKI will prepare an estimate of demolition and remediation costs to assist the City with project planning.

The remediation portion of the specifications will describe elements such as earthwork and transportation and disposal. Technical drawings will include a Site Plan with existing conditions and a drawing showing planned excavation areas. The previously prepared FS/RAP and RDIP can be included in the bid package on CD-ROM. The RDIP will include plans or plan requirements that describe the procedures required in order to implement the remedial alternative as approved by the DTSC. These documents will serve to provide guidance for safety measures to be employed during remedial activities.

As part of this Subtask, EKI anticipates one meeting with the City and park project team to discuss post-remediation site requirements, such as grading, erosion control, storm water drainage, site security and fencing, remaining foundations, and other site conditions. EKI has assumed additional meetings to coordinate with the park project team will occur as part of Task 8. EKI has not included any scope and budget for Ifland Engineers to provide Civil Engineering services to EKI's demolition and remedial design plans and specifications; rather, EKI understands that Ifland Engineers is being retained directly by SSA for such services and will be available to provide input to EKI.

EKI will provide three copies of demolition and remediation plans and specifications to the City for reproduction and distribution to potential contractors by the City. If desired by the City, EKI will provide names of potential demolition and remediation contractors.

Subtask 5B – The Cohen Group Hazardous Materials Abatement Specification

The Cohen Group will review the findings of the building surveys (performed by The Cohen Group in March 2010 and reported in April 2010) for asbestos-containing construction material ("ACCM"), asbestos-containing material ("ACM"), and other hazardous materials that must be abated prior to demolition of the buildings. As part of this task, The Cohen Group will perform a walk-through inspection of the buildings (interior and exterior) to evaluate the current (post-occupancy) conditions related to hazardous materials and potential impact on demolition. The Cohen Group will assist EKI in preparing written specifications for the pre-demolition abatement of hazardous materials from the buildings. The Cohen Group has assumed 12 hours of Certified Industrial Hygienist ("CIH") services plus related technical and administrative support for this subtask.

Subtask 5C – Assist with Bidding Support

EKI and The Cohen Group will attend a pre-bid meeting and walk-through at the subject property with the prospective contractors. EKI and The Cohen Group will assist in addressing contractor questions. If needed, EKI and The Cohen Group will prepare an addendum to the demolition and remediation specification. EKI has assumed 4 to 6 hours for an

engineer to prepare an addendum and associated review time. The Cohen Group has assumed 6 hours of CIH services plus related technical and administrative support for this subtask.

Task 6: Perform Construction Observation Services during Demolition and Remediation

Subtask 6A – The Cohen Group and EKI Services during Site Preparation and Demolition

Both EKI and The Cohen Group will provide consulting services during site preparation and demolition. These services are described below.

EKI Services During Site Preparation and Demolition: EKI will be on-site periodically while the contractor prepares the subject property for construction (e.g., construction of staging areas, decontamination areas, and marking of the excavation grid). Some of this "site preparation" may occur after completion of the demolition of the buildings, but prior to commencement of remediation activities. During demolition, EKI will perform site visits to evaluate work progress and conformance to the contract documents. EKI has assumed that site visits would occur on a daily basis for up to 2 hours per day to document progress and answer the contractor's questions during the demolition phase. EKI has assumed the demolition would occur over an 8 week period.

Pre-Construction Meeting: The Cohen Group will attend a pre-construction meeting with the abatement contractor and City's representative at the subject property prior to the start of abatement

work. The purpose of the meeting will be to discuss security and environmental health and safety issues and review requirements related to the abatement work, as outlined in the written specifications and, if any, addendum(s).

Inspections: During the abatement work, The Cohen Group will conduct up to ten inspections (two per building), including inspection of contractor's work area setup and work practices related to interior and/or exterior abatement work and work area conditions related to the completion and clearance of interior and exterior abatement work. The Cohen Group has assumed a total of 40 hours of Certified Asbestos Consultant ("CAC") services for the abatement inspections, including travel time.

Perimeter Air Monitoring: Although not required by the Bay Area Air Quality Management District ("BAAQMD"), The Cohen Group has included a task for perimeter air monitoring for asbestos due to the proximity of the subject property to residences. For this activity, The Cohen Group will perform work site perimeter air monitoring for asbestos through the collection of air samples at up to four locations (e.g., north, east, south and west perimeters) over an 8-hour period on up to five representative work days (e.g., one per building) during exterior abatement work. The Cohen Group will set up air samples at the beginning of the work shift and collect the completed air samples at the end of the work shift. While on subject property, The Cohen Group will record observations regarding site conditions and contractor dust control measures. The Cohen Group will submit up to 20 air samples (collected during the duration of the project) to an independent AIHA and NVLAP-

accredited laboratory for analysis of airborne fibers by phase contrast microscopy ("PCM") with 24-hour laboratory turn-around time. The Cohen Group has assumed that up to five samples (e.g., one per building) with airborne fiber levels (by PCM) of greater than 0.01 fibers/cc will be resubmitted for analysis of airborne asbestos by transmission electron microscopy (TEM, Yamate Level 2), with 48-hour laboratory turnaround time. The Cohen Group has assumed a total 40 hours of CAC services (approximately 8 hours per day), including travel time for perimeter air monitoring services.

Separate from the perimeter air monitoring services during asbestos abatement, during structural demolition work, The Cohen Group will perform work area perimeter air monitoring for total dust and lead through the collection of air samples at up to four locations (e.g., north, east, south and west perimeters) over an 8-hour period on up to five representative work days (one per building). The Cohen Group will set up air sampling stations at the beginning of the work shift and collect completed air samples at the end of the work shift. While on subject property, The Cohen Group will record observations regarding subject property conditions and contractor dust control measures. The Cohen Group has assumed that up to 20 air samples will be submitted to an independent AIHA and NVLAP-accredited laboratory for analysis of airborne dust by gravimetric methods and airborne lead by atomic absorption with a graphite furnace or inductively coupled plasma spectroscopy with 72-hour laboratory turnaround time. The Cohen Group has assumed a total 40 hours of CAC services (approximately 8 hours per

day), including travel time for perimeter air monitoring services.

Cohen Group Report of Findings: During the project, The Cohen Group will also provide project management, consultation and verbal and/or e-mail reporting of preliminary findings. At the conclusion of the demolition project, The Cohen Group will prepare a written report of findings for the abatement inspection and perimeter air monitoring work. The report will include inspection field notes, sampling and analytical methods and data, notated site plans, findings, and conclusions. The Cohen Group has assumed 20 hours of CIH services plus related technical and administrative support to provide verbal or email updates during the project and to prepare the written report of findings.

Subtask 6B – EKI Construction Observation Services during Remediation

EKI will provide field personnel to assist with remediation activities. Based on cost estimates provided to the City, soil remediation includes removal of approximately 12,000 cubic yards (or 20,000 tons) of soil. For cost estimating purposes, EKI assumes 10 weeks of field activities to excavate and remove 20,000 tons of soil from the subject property.

Task 6B scope of work proposed by EKI will include the following:

- Prior to the contractor's mobilization to the field, EKI will review and comment, as appropriate, the contractor's submittals. Some of these submittals typically require review and approval by DTSC (e.g., contractor's site-specific HSP and the addendum to the Traffic Control and Waste

Transportation Plan). EKI will coordinate with the contractor and DTSC regarding approval of such submittals.

- Coordinate with the contractor regarding landfill approvals for soil disposal.
- Perform site visits to evaluate work progress and conformance to the contract documents, including review of contractor invoices and change orders and performance of other construction management tasks.
- During the remediation phase, EKI has assumed a field geologist or engineer will be on-site full time during the remediation activities to evaluate work progress and conformance to the contract documents. EKI has also included a second, junior field person to be on-site for a portion of the project (e.g., if multiple activities are occurring simultaneously and additional assistance may be needed).
- Coordinate and meet with the DTSC periodically to keep them informed of remediation progress. EKI has assumed two meetings would occur at the subject property during soil excavation activities.
- Perform confirmation field sampling and make recommendations for additional remedial activities as necessary based on confirmation soil sampling results.
- Implement the perimeter air monitoring plan. EKI has assumed 3 perimeter air monitoring stations would be required for (a) 3 days of background monitoring for dust, lead, and arsenic; (b) 5 days of monitoring during the first week of field work for

dust, lead, and arsenic; and (c) 10 weeks of monitoring for real-time dust monitoring only.

- Survey confirmation soil sample locations and final remedial excavation extent. EKI assumes Ifland Survey would perform the post-excavation survey over two site visits.

EKI has assumed that excavation confirmation soil samples will be collected on the approximate grid of 90 feet by 90 feet used for the subject property characterization. The DTSC may require that the building "grids" be divided into 3 grid units per building. EKI also assumes that sidewall sampling will only be required on the perimeter of the property, not at the boundaries between each grid square of different excavation depths. EKI has assumed that the samples would be collected and composited in a manner similar to that used for the investigation activities. Using this approach, approximately 60 samples would be analyzed for arsenic and lead. Assuming a 25% failure rate on the confirmation samples, i.e., samples containing concentrations of lead or arsenic above established project cleanup levels, an additional 15 samples would be analyzed for arsenic and lead. Laboratory analyses will be requested on a 48-hour turn-around basis to expedite field decision making and avoid unnecessary delays for the remediation contractor.

EKI has assumed that the excavation will not be backfilled by the remediation contractor; rather, an import fill and backfilling will be performed as part of the park project.

Task 7: Prepare Construction Completion Report

After completion of the remediation activities, EKI will prepare a remedial construction Completion Report describing the work conducted, the disposition of excavated soils, and the results of confirmation sampling. The Completion Report will include tables summarizing analytical data, figures showing confirmation soil sampling locations and extents of remedial excavations. The report will summarize the results of the perimeter air monitoring. A draft Completion Report will be submitted to the City for review. After incorporating any comments, the document will be submitted to the DTSC for review and approval. EKI has assumed that 5 hard copies and a PDF version of the Completion Report will be prepared and distributed to the City and DTSC.

Task 8: Coordinate with City Staff and Park Design Team Regarding Design Issues and CEQA Compliance

This task includes EKI's services to coordinate with City staff and the park design team regarding design issues and compliance with CEQA for the park project and remediation. For this task, EKI assumes that it would attend up to 5 meetings with City and SSA staff to discuss the park design as it relates to remediation options and the demolition and remedial design. Examples of topics that will be discussed during the park design meetings will be to determine if areas of the park improvements should serve as capping material (if desired by the City and approved by DTSC); if structural fill, base rock, concrete, asphalt

or other existing improvements should be reused as part of the backfill material; if any existing utilities should be retained for the park; and other aspects that would impact the final grading or "as is" conditions when the remediation project transitions to the park development project. EKI has assumed 3 of these meetings would be attended by the Project Manager and project engineer and 2 of these meetings would only be attended by the project engineer. As part of this task, EKI has assumed it would prepare a technical specification that describes import fill testing requirements for testing that would be performed by the park contractor. Typically, DTSC requires review and approval of the import fill source. EKI will be available to coordinate and be a liaison between the park project team and DTSC.

For the CEQA portion of this task, EKI has assumed that it would attend up to 4 meetings to discuss (a) the CEQA process and the steps to incorporate the remediation project into the CEQA process for the park project, (b) the CEQA approach with DTSC technical and CEQA staff, and (c) the EIR text and mitigation measures. As part of this task, EKI has assumed preparation of a summary of the planned remediation activities that can be included in the Project Description. EKI would include a figure depicting the proposed remediation area. EKI has included the preparation of the "Hazardous Materials" chapter of the Environmental Impact Report. EKI has assumed that the chapter would include discussions associated with abatement of hazardous materials during demolition and remediation of impacted soil. EKI would revise the Hazardous Materials chapter based on input from the SSA team and the City. EKI has further

assumed that the SSA team would provide example Hazardous Materials chapters used on similar projects to assist EKI with the preparation of the chapter for this project.

EKI has assumed attendance at one public meeting for the CEQA process that will occur concurrently with the public meeting for the FS/RAP (see Subtask 3B). In addition, time to respond to public comments was also included in the FS/RAP task (see Subtask 3C). Thus, Task 8 does not include budget associated with the public review or responsiveness summary.

In accordance with the RFP, EKI has also included up to 16 hours of consulting time for EKI staff to coordinate with the SSA team regarding the park project and CEQA process.

Task 9: GANDA Extended Phase I Geoarchaeological Test Excavation and Consulting Services

According to the Cultural Resources Investigation conducted in April 2010 (GANDA, 2010), the area of direct impacts ("ADI") for the proposed project is sensitive for the presence of paleosols based on the age and deposition of the underlying Holocene-age alluvial deposits, presence of buried sites discovered in similar settings within Santa Clara Valley, and the general proximity of the project area to an abundant natural resource base (including fresh water). The borehole logs further suggest that subsurface soils within the ADI have the potential to contain paleosols. Based on this investigation, the ADI is found to be in an area sensitive for the potential

discovery of buried archaeological resources.

However, while GANDA's geoarchaeological research indicates that the ADI is sensitive for the presence of buried prehistoric living surfaces, the horizontal footprint of project-related excavation within the ADI (to the depth of six feet where utilities will be placed) is limited. GANDA recommends that after final design of the utility locations and related ground disturbance, a limited Extended Phase I geoarchaeological test excavation be conducted (Subtask 9B, below). This test excavation should be conducted within the areas of the ADI that will be disturbed to a depth of six feet during project implementation. The methods used for this Extended Phase I excavation should be based on the level and precise location of actual proposed project impacts (i.e., at the location and depth of the planned utility excavations).

EKI has assumed that the GANDA archeological test excavation will be performed prior to demolition of the existing buildings at the subject property so the findings of the test excavation work and any restrictions on the park project can be incorporated into the plans and specifications for construction of the park. However, if access is limited to the location of the planned utilities due to the existing buildings or subject property infrastructure, the archeological test excavation can be completed after demolition and prior to soil remediation activities.

Subtask 9A – Initiate Project and Prepare Brief Work Plan

GANDA will incorporate research regarding the geomorphology of the ADI

with information from the environmental investigation, geotechnical investigation, and final designs for the project and prepare a brief work plan identifying where the Extended Phase I testing will occur within the ADI. GANDA's understanding of the composition of the soils beneath the project area indicate that where there will only be up to two and a half feet of ground disturbance (i.e., for remediation of arsenic and lead in soil) is not sensitive for the presence of archaeological deposits and it primarily comprised of fill and young bay mud. Archaeological testing will be necessary only where there will be up to six feet of ground disturbance for the placement of utilities during the park project construction. GANDA will submit this brief work plan to EKI and the City that will state where the excavation units are expected to be placed and the rationale for their placement. This subtask also includes coordinating the field effort and continuing consultation with appropriate Native American groups.

Subtask 9B – Extended Phase I Archaeological Testing

The extended phase I archaeological testing includes the following activities:

- GANDA archaeologists will retain the services of an appropriately-licensed backhoe operator who will conduct the mechanical excavation during the extended phase I archaeological testing.
- GANDA assumes that a mechanically excavated trench will be placed approximately every 30 to 60 meters where there will be ground disturbance up to six feet deep and will include up to four mechanically

excavated trenches to a depth of six feet.

- Two GANDA archaeologists will be present during the testing and will periodically screen samples of the mechanically excavated soil and rake through the back dirt spoils in an effort to establish the geomorphology of the subsurface materials and to look for any indication of archaeological deposits present beneath the surface.
- GANDA has assumed that the field work can be completed in one day.
- This task also includes budget for one day of the backhoe driver's time and equipment and budget to send two soil samples from trenches to Beta Analytic to provide ages of the soils at the depth of proposed excavation.

Subtask 9C – Testing Results Report

Following completion of Subtasks 9A and 9B, GANDA will prepare a report that describes the methods and results of the Extended Phase I archaeological testing. This report will be submitted to EKI, the City, and the Northwest Information Center of the California Historical Resources Information System. GANDA has assumed that it will address one round of comments each from EKI and the City of Sunnyvale on a Draft report, prior to preparation of a Final report.

Subtask 9D – Site Visits during Construction

This task allows GANDA up to three day-long site visits or consultation (or up to 30 hours of the project managers' or archaeologists' time) regarding potential discoveries within the ADI during construction of the project to examine potential archaeological finds. If potentially significant cultural deposits are

identified during project implementation, GANDA can address the treatment of such resources under an amended scope and budget. GANDA's time for Subtask 9D can also be applied to meetings and consultation with the City and EKI.

GANDA has also made the following assumptions regarding the scope and budget for this project:

- There are no cultural resources within the Area of Potential Effects that are listed, eligible or appear eligible for listing in the CRHR. Should such archaeological deposits be identified during the excavation, GANDA can address those resources under a modified scope and budget.
- GANDA's scope and budget do not address the potential need for Native American monitoring, but GANDA can coordinate this effort if necessary.
- There is no federal funding or federal permits, or any other trigger that would require the City to comply with Section 106 of the National Historic Preservation Act.

Task 10: Prepare for and Attend Additional Meetings with Lead Regulatory Agency and City

EKI has included preparation for and attendance at meetings with the lead regulatory agency and the City as part of the specific tasks described above. Given that EKI can not anticipate all of the meetings and discussions that may be required as part of this project, EKI has included a scope and budget for EKI to prepare for and attend up to 5 additional meetings with the City, DTSC, and/or the project team. For budgetary purposes, EKI has assumed that these meetings

would be attended by EKI's Project Manager and the project engineer. The hours included for attendance at these meetings can be assumed to include overall coordination and communications with the lead regulatory agency selected for oversight of the project in lieu of attendance all 5 additional meetings.

Task 11: Continued Program Management and Ongoing Client Communications

EKI will continue to provide ongoing technical program management and consultation services to the City, including the preparation of agreements and work authorizations with The Cohen Group, GANDA, and Island Survey. This task includes ongoing coordination and communications with the City, as requested by the City, and ongoing general consultation and technical project management services by EKI team. EKI senior staff will be available for conference telephone calls and/or meetings whenever requested by the City and/or the lead regulatory agency, in accordance with mutually agreeable schedules. This task includes preparation of City Council updates or other communications, when requested by City staff. EKI will prepare periodic project schedule updates and will submit the updates to the City. Additional services as part of this task may include development of scopes of work for specific additional tasks, when requested by the City. The level of effort by EKI under this task cannot be estimated at this time; however, EKI will continue to provide these services, when requested, on a time and materials basis, as allowed within the authorized budget. As the authorized budget for this task is approached, EKI will notify the City and

request additional budget for this task, if additional services under this task are expected to be requested by the City. For budgetary purposes, EKI has assumed 40 hours of the EKI Project Manager and 40 hours of the project engineer for this task.

4.0 PROPOSED PROJECT TEAM, QUALIFICATIONS, AND AVAILABILITY

EKI will continue to use the same team of engineers, scientists and specialty subconsultants that was used for the first phase of the project performed for the City. In addition, EKI will retain Ifland Survey to perform surveying activities associated with the remediation project.

The qualifications of the Proposed Project Team and key personnel that will be assigned to the project are summarized below. All key personnel assigned to the project have the availability to perform and complete project tasks as specified in the City's RFP.

4.1 Erler & Kalinowski, Inc.

EKI will provide overall coordination of the Proposed Project Team and will act as liaison with the City. EKI has extensive experience working with both private and public sector clients taking projects from initial environmental assessment stages through investigation, risk assessment, remediation planning, remedial actions, and redevelopment. EKI's key project personnel, anticipated roles and duties, and qualifications are presented below.

The key staff members listed below will be supported by other EKI staff as appropriate for the specific task. For example, if needed, Bruce Castle, P.G., the EKI geologist who spearheaded the grid sampling at the subject property, will be responsible for the development of a background arsenic concentration that would form the basis of the arsenic cleanup level for the project. Given that construction services are likely to occur in

approximately a year from now, the EKI field engineer responsible for construction observation during demolition and remediation will be identified closer to that time to ensure that the person assigned to the project is available to support the City.

**Michelle K. King, Ph.D. –
Project Manager and Primary Point of
Contact with the City**

Dr. King is a Vice President at EKI and has nearly 20 years experience directing subsurface investigations and remedial actions as part of site redevelopment projects. Dr. King will continue to be responsible for the performance of the project team, including technical, communications, and contractual matters. Dr. King will have overall responsibility to the City for the successful implementation of the project. She will provide technical review of the project team's approach, assumptions, and recommendations. She will be responsible for reviewing draft work products, as well as providing overall quality assurance/quality control for the project. Dr. King is currently the Principal-in-Charge responsible for EKI's environmental assessment and reuse services for the Presidio Trust and for the Golden Gate Bridge Highway and Transportation District lead cleanup in soil. She was also project manager for the demolition and redevelopment of a downtown business district at University Circle in East Palo Alto, and project manager for the demolition and redevelopment of former industrial buildings into a residential community with a park for the City of Menlo Park.

Dr. King obtained her Doctoral and Master's degrees from Stanford University

in Environmental Engineering and her Bachelor's degree from Princeton University in Geological Engineering.

**Claudia E. Cuadrado, P.E. –
Project Engineer**

Ms. Cuadrado is a registered Professional Engineer and has six years of environmental work experience at EKI. Ms. Cuadrado's experience includes site characterization and remediation projects, preparation of site remediation plans, human health risk assessments, development of site-specific cleanup levels, air dispersion modeling, and data analysis. Ms. Cuadrado has experience in the management and preparation of construction contract documents, including general conditions and agreements as well as detailed technical remedial plans and specifications for hazardous waste remediation projects. Ms. Cuadrado has also prepared documents such as work plans, health and safety plans, human health risk assessments, sampling protocols, five-year reviews, air monitoring plans, site cleanup plans, and provided data analysis using Geographic Information Systems ("GIS"). Ms. Cuadrado recently prepared site cleanup plans for two projects on behalf of the City of Emeryville Redevelopment Agency. She also is the project engineer for EKI's work on behalf of the City of Oakland at the former Oakland Army Base and for a private developer at the Oak-to-Ninth project in Oakland.

Ms. Cuadrado has a Master's degree in Environmental Engineering from Stanford University and Master's and Bachelor's degrees in Civil Engineering from the Universidad Católica de Chile.

**John T. DeWitt, P.E. –
Engineering QA/QC**

Mr. DeWitt is a registered Professional Engineer and has nearly 20 years of experience in environmental engineering. Mr. DeWitt has extensive experience in the management and preparation of construction contract documents, including general conditions and agreements as well as detailed technical remedial plans and specifications for hazardous waste projects. For the last 10 years, Mr. DeWitt has been the engineer responsible for most of the construction plans and specifications produced by EKI's hazardous waste group. In addition, he has conducted or overseen EKI construction observation of implementation of many remedial projects. He has wide-ranging experience in facilities engineering, process design, groundwater and industrial wastewater treatment, and hazardous materials abatement. Project responsibilities have included feasibility studies, remedial action plans, remedial process designs, and design drawings for public and private-sector clients. Mr. DeWitt recently oversaw the preparation of plans and specifications for remediation project being performed on behalf of the City of Fremont Redevelopment Agency. Mr. DeWitt also oversaw construction management activities for a large remediation project adjacent to the Bay Street Development, on behalf of the City of Emeryville Redevelopment Agency. Mr. DeWitt has also served as the lead engineer for various City of Oakland and City of Menlo Park projects.

Mr. DeWitt obtained his Bachelor's and Master's degrees from Stanford University.

4.2 The Cohen Group

The Cohen Group will continue to provide subconsultant services to EKI for hazardous materials assessment for buildings, particularly potential ACM, LCM, and LCP issues, as well as mercury and PCB issues, as these issues relate to demolition of site structures. EKI and The Cohen Group have worked together for nearly 20 years on many site redevelopment projects throughout the Bay Area.

**Julie V. Wellings, CIH, CAC,
CLIA/PM/PD – Project Manager**

Julie Wellings will serve as the Project Manager and Senior Consultant for the hazardous materials abatement portion of the project. In this role, she will manage and perform hazardous materials inspections of buildings, review air monitoring data, and prepare final reports.

Julie has been employed by The Cohen Group since 1989 and has more than 25 years of experience in the occupational health and safety field. Julie is an ABIH-Certified Industrial Hygienist, Cal/OSHA Certified Asbestos Consultant, CDPH-Certified Lead-Based Paint Inspector, Assessor, Project Monitor and Project Designer, and Cal-EPA Registered Environmental Assessor. Julie received a Bachelor of Science degree in environmental toxicology from University of California at Davis and a Master of Public Health in environmental health sciences from University of California at Berkeley. She has broad experience in health and safety matters and has served a wide variety of clients including public, commercial, manufacturing and construction interests of varied types and sizes.

Julie has managed and completed hundreds of hazardous materials projects including Phase 1 environmental site assessments, building inspections, material sampling, air monitoring, abatement specifications, and oversight of hazardous materials removal by others. She has extensive experience effectively communicating the results to property managers and contractors in written reports and abatement specifications to ensure that all specified hazardous materials are removed from buildings prior to (or in conjunction with) structural demolition.

**Dustin Christensen, BS, CAC -
Associate**

Dustin Christensen will serve as Associate EH&S Consultant for the inspections of abatement activities being performed prior to and during demolition of site buildings as well as air monitoring activities being performed during demolition. In this role, he will perform or assist with the inspections and air monitoring under the direction of Ms. Wellings. Dustin has been employed by The Cohen Group since 2006 and has significant experience in the occupational health and safety field. Dustin is a Cal/OSHA Certified Asbestos Consultant and Cal/OSHA Certified Gas Tester. He received a Bachelor of Science degree in Industrial Hygiene from Utah State University and has worked on a wide variety of industrial hygiene and hazardous materials projects.

**Tim Bormann, CIH, CAC –
Technical Support and Peer Review**

Tim Bormann will provide technical support and peer review for the hazardous materials portion of the project, on an as needed basis. Tim is Vice President and Senior EH&S Consultant for The Cohen Group and has worked for the company for nearly 30 years. Tim is an ABIH-Certified Industrial Hygienist, Cal/OSHA Certified Asbestos Consultant, and Cal-EPA Registered Environmental Assessor, and has extensive and comprehensive knowledge and experience in the environmental and occupational health and safety field.

4.3 Garcia & Associates

Garcia & Associates ("GANDA") will continue to provide subconsultant services to EKI for performance of the cultural resources test excavation and for on-call archaeological services during earthwork activities on the subject property.

GANDA cultural resources specialists have extensive experience throughout California, including providing services for local governments within the parameters of federal and state regulations and guidelines. GANDA is experienced in gearing up for large-scale, quick turn-around field efforts. We have served (and presently serve) as the prime on a number of open-ended services contracts for government and institutional-level clients which require simultaneous efforts on a number of task orders varying in scope, size, and geographic location.

The GANDA cultural resources team, presented below, has many years of experience working together on similar projects throughout Santa Clara County,

the San Francisco Bay Area, and California. GANDA also has worked extensively with the Native American community and local representatives of the Ohlone Tribe. In addition, the team's in depth knowledge and experience regarding the types of resources commonly identified in Santa Clara County, such as surface and buried prehistoric archaeological resources, will be an asset in ensuring project compliance.

**Barbra Siskin, M.A., R.P.A. –
Project Manager**

Ms. Siskin has fifteen years experience in Cultural Resource Management, with eight years full time experience managing cultural resources projects for compliance with Section 106, CEQA, NEPA, and Caltrans Guidelines. At GANDA, Ms. Siskin serves as the project manager, or key person for prehistoric and historical archaeological and historic resources technical studies. Ms. Siskin has conducted and supervised numerous technical studies and impact assessments for compliance with federal laws including Sections 106 and 110 of the National Historic Preservation Act ("NHPA"), National Environmental Policy Act ("NEPA") and various state laws such as the CEQA for clients in both the public and private sectors. She has extensive experience consulting with the State Historic Preservation Officer ("SHPO") and managing large scale, complex regulatory issues within San Francisco, the greater Bay Area and throughout California which include surveys, historic archival and prehistoric and ethnographic background research, archaeological testing and evaluation and complex data recovery excavations.

Cassidy DeBaker, B.A. (M.A. candidate) – Project Archaeologist

Ms. DeBaker has been working in Cultural Resources Management for over nine years, with research, fieldwork, and analysis focused on the San Francisco Bay Area and the Pacific Islands. She has conducted and supervised numerous technical studies and impact assessments for compliance with the CEQA, NEPA, and Section 106 of the NHPA and its implementing regulations. Ms. DeBaker meets the professional standards to conduct archaeological studies as set forth by the United States Secretary of the Interior (36 CFR Part 61) and serves as a prehistoric archaeologist at GANDA for small- to large- scale projects. Her projects include federal, state and local governments, utilities, and private developers, and encompass a broad range of CRM investigations, including Traditional Cultural Properties ("TCP") and landscapes studies. She has a working knowledge of Global Positioning Systems ("GPS") and Ground Penetrating Radar ("GPR") technologies and is skilled in archaeological research and laboratory analysis. She has prepared numerous Department of Parks and Recreation (DPR 523) site record forms, conducted archival research at the California Historical Resources Information Systems ("CHRIS"), and has authored dozens of cultural resources compliance reports.

4.4 Ifland Survey

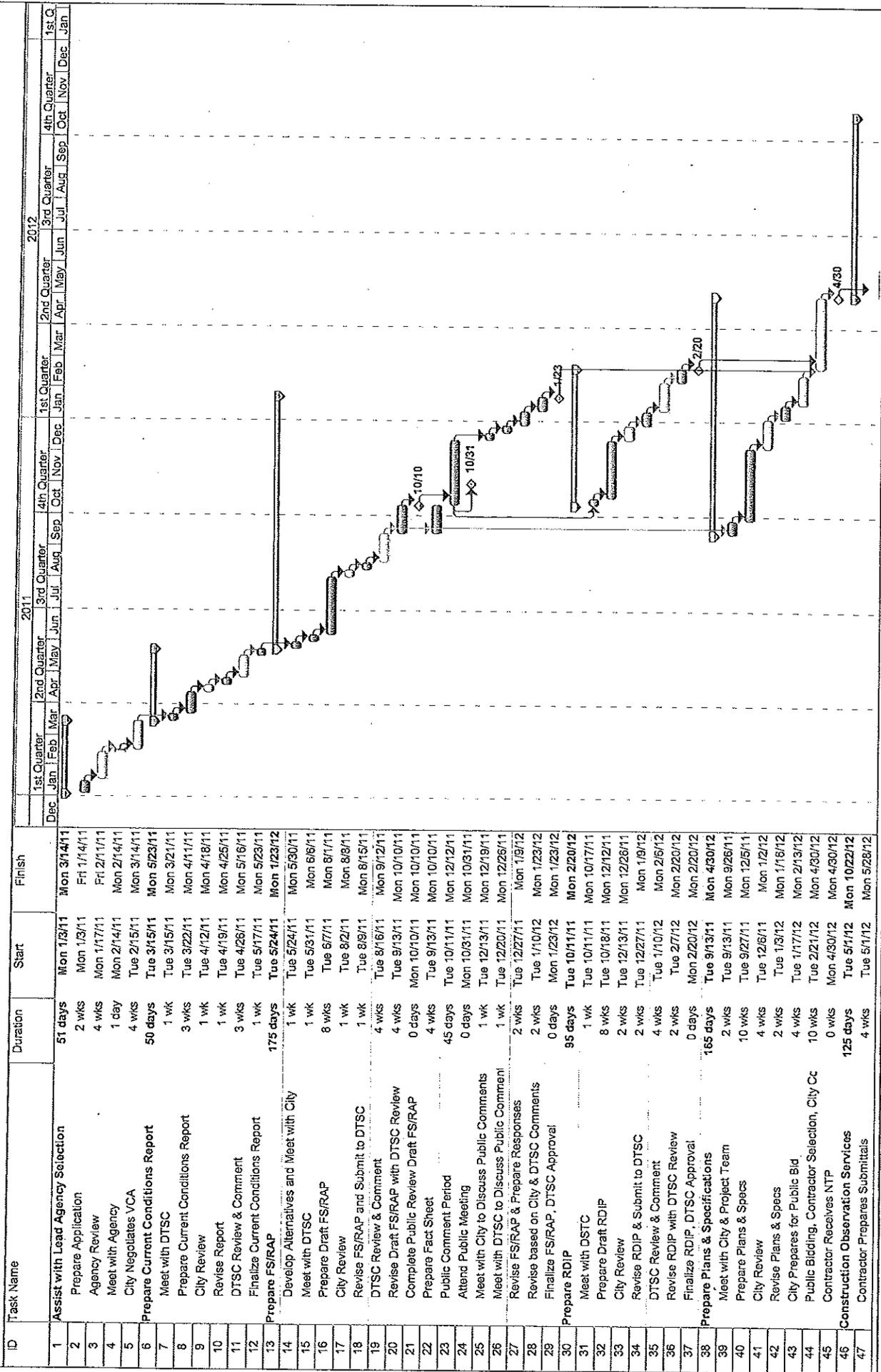
EKI will retain Ifland Survey to perform surveying activities associated with the remediation project. Ifland Survey is also performing surveying activities on behalf of SSA for the overall park project. Gary Ifland, a California licensed land surveyor, is the President of Ifland Survey and will be

responsible for overseeing surveying activities performed on behalf of EKI.

3.0 SCHEDULE

EKI has developed a conceptual schedule for completion of key milestones for Tasks 1 through 7. The draft conceptual remediation schedule is included in this Section 3, and assumes a project start date of 3 January 2011. EKI recommends that the schedule be updated once the City enters into a VCA with a lead regulatory agency. Several of the milestones in the schedule are dependent on regulatory agency review times and input from team members. EKI has used its professional judgment in the development of time frames that are dependent on input from others. The schedules for Tasks 8 through 11 will be coordinated with the City and the park project team to meet the park project schedule.

Conceptual Remediation Schedule Morse Park, Sunnyvale, California



Project: Remediation Schedule.mpp
 Date: Tue 11/30/10

EKI or Joint Task: City Task
 DTSC Task: Milestone

Summary: Primary Contractor Task

Page 1 of 2



Consulting Engineers and Scientists

1 December 2010

1870 Ogden Drive
Burlingame, CA 94010
(650) 292-9100
Fax: (650) 552-9012

Mr. David Gakle, Principal Buyer
City of Sunnyvale
650 West Olive Avenue
Sunnyvale, California 94086

Subject: Proposed Project Budget for Environmental Remediation and Oversight for
Morse Park, Sunnyvale, California (SVW-018)
(EKI B0-088)

Dear Mr. Gakle:

Erler & Kalinowski Inc. ("EKI") is pleased to submit to the City of Sunnyvale (the "City") the attached Proposed Project Budget for environmental remediation and oversight for the Morse Park project, located at 1010 to 1024 Morse Avenue, Sunnyvale, California ("subject property"). This separate Proposed Project Budget is being submitted by EKI in accordance with the *Request for Proposals for Environmental Remediation Planning and Oversight for Morse Park* ("RFP"), prepared by the City (City RFP# SVW-018).

Key assumptions made by EKI and our team members were described in Section 2, Proposed Scope of Work. EKI has estimated the level of effort to complete the project based on our current understanding of the project and our experience working with state regulatory agencies. At this time, the City has not yet entered into an agreement with an oversight regulatory agency. In accordance with the RFP, EKI has also made assumptions, among other things, regarding (a) the reports that the lead regulatory agency will require to approve of a remediation plan for the Site; (b) the number of meetings, discussions, and document revisions that will be required to obtain regulatory agency approval; (c) the extent of remediation and confirmation sampling that will be required by the lead regulatory agency; and (d) the type and extent of air quality monitoring that will be required during remedial activities. EKI has further assumed that no additional soil or groundwater sampling will be required by (a) the lead regulatory agency to obtain approval of the remediation plan and (b) the disposal facility to profile and accept the soil for disposal.

A detailed breakdown of the Proposed Project Budget by task and associated subtasks is attached to this letter (Table 1). A summary of the budget by task is presented below. As shown in the attachment and the summary below, the total proposed project budget is \$532,000. Given the opportunity for EKI to continue to assist the City with this significant project, EKI is offering the City a 5% discount on hourly labor rates in EKI's Schedule of Charges, dated 1 January 2008. The proposed project budget and attached Schedule of Charges reflects this discount. The proposed budget also reflects a 10% markup on reimbursable expenses, rather than EKI's standard markup of 15%.



Proposed Task Budget	Proposed
1. Assist with Lead Agency Selection Process	\$ 5,000
2. Prepare Current Conditions or Preliminary Endangerment Assessment Report	\$ 19,000
3. Prepare Feasibility Study/Remedial Action Plan	\$ 59,000
4. Prepare Remedial Design Implementation Report	\$ 37,000
5. Prepare Demolition and Remediation Plans & Specifications (includes approx. \$2,000 for Ifland Survey and \$4,000 for The Cohen Group)	\$ 49,000
6. Perform Construction Observation Services (includes approx. \$26,000 for The Cohen Group and \$5,000 for Ifland Survey)	\$ 274,000
7. Prepare Construction Completion Report	\$ 19,000
8. Coordinate with Park Project Team (incl. CEQA preparation)	\$ 27,000
9. GANDA Archaeological Services	\$ 19,000
10. Attend Additional Meetings with DTSC, City, Project Team	\$ 9,000
11. General Consulting Services and Project Management	\$ 15,000
Total Proposed Budget	\$ 532,000

It should be noted that the proposed budget does not include project oversight fees that the regulatory agencies impose on the Client. State regulatory agencies typically require participation in a "cost recovery" program in which the Client pays for regulatory personnel time to review documents, attend meetings, and provide general oversight.

We look forward to discussing our proposed budget with you if you have any questions.

Very truly yours,

ERLER & KALINOWSKI, INC.

A handwritten signature in cursive script, appearing to read 'Michelle King'.

Michelle K. King, Ph.D.
Vice President

Client/Address: Mr. David Gakle (City of Sunnyvale)
650 West Olive Avenue
Sunnyvale, CA 94086



Proposal/Agreement Date: 1 December 2010

SCHEDULE OF CHARGES FOR ERLER & KALINOWSKI, INC. (Modified) 1 JANUARY 2008

Personnel Compensation

Classification	Hourly Rate	Hourly Rate with 5% Discount
Senior Principal	258	245
Principal and Chief Engineer-Scientist	219	208
Supervising Engineer-Scientist	210	200
Senior Engineer-Scientist	187	178
Associate Engineer-Scientist	170	162
Engineer-Scientist, Grade 1	159	151
Engineer-Scientist, Grade 2	137	130
Engineer-Scientist, Grade 3	127	121
Engineer-Scientist, Grade 4	108	103
Engineer-Scientist, Grade 5	95	90
CADD Operator	90	86
Technician/Administrative Assistant	80	76
Typist/Secretary	65	62

Direct Expenses

Reimbursement for direct expenses, as listed below, incurred in connection with the work will be at cost plus ten percent (10%) for items such as:

- Maps, photographs, reproductions, printing, equipment rental, and special supplies related to the work.
- Consultants, soils engineers, surveyors, drillers, laboratories, and contractors.
- Rented vehicles, local public transportation and taxis, travel and subsistence.
- Special fees, insurance, permits, and licenses applicable to the work.
- Outside computer processing, computation, and proprietary programs purchased for the work.

Communication charges for local and long distance telephone, facsimile transmittal, standard delivery U.S. postage, and routine in-house copying will be charged at a rate of 3% of labor charges. Large volume copying of project documents, e.g., bound reports for distribution or project-specific reference files, will be charged as a project expense as described above.

Reimbursement for company-owned automobiles, except trucks and four-wheel drive vehicles, used in connection with the work will be at the rate of sixty cents (\$0.60) per mile. The rate for company-owned trucks and four-wheel drive vehicles will be seventy-five cents (\$0.75) per mile. There will be an additional charge of thirty dollars (\$30.00) per day for vehicles used for field work. Reimbursement for use of personal vehicles will be at the federally allowed rate plus ten percent (10%).

CADD and Modeling Computer time will be charged at twenty dollars (\$20.00) per hour. In-house material and equipment charges will be in accordance with the current rate schedule or special quotation. Excise taxes, if any, will be added as a direct expense.

Rate for professional staff for legal proceedings or as expert witnesses will be at a rate of one and one-half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the Agreement for the Services of Erler & Kalinowski, Inc. and may be updated annually.

Table 1
Erler & Kalinowski, Inc. Detailed Budget Estimate Breakdown for
Environmental Remediation Planning and Oversight for Morse Park (SWW-018)
 1010 - 1024 Morse Avenue, Sunnyvale, California

TASKS	ESTIMATED EKI LABOR (Hours)													EXPENSES			ESTIMATED COSTS	
	EKI Personnel & Rates (\$/hr)													Eki Labor (\$)	Direct Expenses (\$)	TASK BUDGET TOTALS (\$)		
	TYP	AD	CAD	G5	G4	G3	G2	G1	ASC	SEN	SUP	PRI	SPR				UNIT	QNTY
62	76	86	90	103	121	130	151	182	178	200	208	245						
1	Assist with Lead Agency Selection Process																	
	Prepare application																	
	Prepare for and attend kick-off meeting with DTSC																	
	Coordinate with City on VCA																	
	3% Communication Fee																	
	<i>Task 1 subtotal</i>																	
2	Prepare Current Conditions or PEA Report																	
	• Develop prelim scope & meet with DTSC to discuss																	
	• Prepare text (history, CSM, data & risk disc)																	
	• Perform risk calcs (exp pathways, RC calc, res, rec)																	
	• Develop background concentration for arsenic																	
	• Internal review & submit Draft PEA to City for Review																	
	• Revise PEA & Submit to DTSC																	
	• Respond to DTSC comments on CCR or PEA																	
	3% Communication Fee																	
	<i>Task 2 subtotal</i>																	
3	Prepare Feasibility Study and Remedial Action Plan																	
	Subtask 3A Public Review Draft FS/RAP																	
	• Develop potential alternatives & meet with City																	
	• Revise Alternatives & meet with DTSC																	
	• Prepare text, tables, and figures of FS/RAP																	
	• Develop contingency protocols for unknowns																	
	• Update cost estimates for cleanup levels and aits																	
	• Internal review & submit Draft FS/RAP to City for Rev																	
	• Revise FS/RAP & Submit to DTSC																	
	• Meet with DTSC to Discuss Comments																	
	• Revise FS/RAP to Address DTSC Comments																	
	• Follow-up Discussions with DTSC Regarding Edits																	
	• Produce Public Review Draft FS/RAP																	
	Subtask 3B Assist with Public Review Process																	
	• Assist with Fact Sheet Preparation																	
	• Prepare slides & posterboards for public meeting																	
	• Attend dry run meeting and public meeting																	
	Subtask 3C Prepare Responsiveness Summary and Final FS/RAP																	
	• Meet with City to discuss comments																	
	• Meet with DTSC & City to discuss comments																	
	• Revise FS/RAP to address public comments																	
	• Prepare draft Responsiveness Summary																	
	• Revise FS/RAP & responses based on City comment																	
	• Revise FS/RAP & responses based on DTSC comments																	
	• Final revisions based on follow-up discussions																	
	• Produce Final FS/RAP																	
	3% Communication Fee																	
	<i>Task 3 subtotal</i>																	

Exhibit "C"

INSURANCE REQUIREMENTS FOR CONSULTANTS

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work by the Consultant, his agents, representatives, or employees.

Minimum Scope and Limits of Insurance: Consultant shall maintain limits no less than:

1. **Commercial General Liability:** \$1,000,000 per occurrence and \$2,000,000 aggregate for bodily injury, personal injury and property damage. ISO Occurrence Form CG 0001 is required.
2. **Automobile Liability:** \$1,000,000 per accident for bodily injury and property damage. ISO Form CA 0001 is required.
3. **Workers' Compensation** and **Employer's Liability:** \$1,000,000 per accident for bodily injury or disease.
4. **Errors and Omissions** Liability Insurance appropriate to the Consultants Profession: \$1,000,000 per occurrence and \$2,000,000 aggregate.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared and approved by the City of Sunnyvale. The consultant shall guarantee payment of any losses and related investigations, claim administration and defense expenses within the deductible or self-insured retention.

Other Insurance Provisions

The **general liability** and **automobile liability** policies are to contain, or be endorsed to contain, the following provisions:

1. The City of Sunnyvale, its officials, employees, agents and volunteers are to be covered as additional insureds with respects to liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City of Sunnyvale, its officers, employees, agents or volunteers.
2. For any claims related to this project, the Consultant's insurance shall be primary. Any insurance or self-insurance maintained by the City of Sunnyvale, its officers, officials, employees, agents and volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
3. Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City of Sunnyvale, its officers, officials, employees, agents or volunteers.

4. The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
5. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City of Sunnyvale.

Claims Made Coverage

If the General Liability and/or Errors & Omissions coverages are written on a claims-made form:

1. The retroactive date must be shown, and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained and evidence of insurance must be provided for at least five years after completion of the contract work.
3. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, the Consultant must purchase an extended period coverage for a minimum of five years after completion of contract work.
4. A copy of the claims reporting requirements must be submitted to the City of Sunnyvale for review.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Sunnyvale.

Verification of Coverage

Consultant shall furnish the City of Sunnyvale with original a Certificate of Insurance effecting the coverage required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates are to be received and approved by the City of Sunnyvale prior to commencement of work.