



AGENDA REPORT

Meeting Date: April 7, 2009
Item Number: F-10
To: Honorable Mayor & City Council
From: Alan Schneider, Director of Project Administration
Subject: APPROVAL OF THE AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS AND XEON, INC. DBA CTL ENVIRONMENTAL SERVICES FOR SITE ASSESSMENT SERVICES RELATED TO THE 455 NORTH CRESCENT DRIVE PARKING STRUCTURE; AND

APPROVE A PURCHASE ORDER IN THE AMOUNT OF \$66,492 TO XEON, INC. DBA CTL ENVIRONMENTAL SERVICES FOR THESE SERVICES

Attachments: 1. Agreement

RECOMMENDATION

Staff recommends that the City Council move to approve an agreement with Xeon, Inc. dba CTL Environmental Services for site assessment services for the 455 North Crescent Drive parking structure project, in the amount of \$61,492 including reimbursable expenses; a contingency of \$5,000; and approve a Purchase Order in the amount of \$66,492.

INTRODUCTION

The proposed agreement will provide for the consulting services to conduct a subsurface investigation of potential impact from historical site operations that include an adjacent gasoline station and former railway operations in close proximity to the proposed parking structure. In 1999, the environmental consulting firm of Lindmark Engineering conducted a Phase 1 and Phase 2 site assessment of the southern portion of the historic Post Office site. The findings of that investigation, as further supported by the more recent site assessment conducted as part of the Environmental Impact Report by the Wallis Annenberg Center for the Performing Arts in connection with the proposed theater, revealed no subsurface contamination (although no analysis of metals, including arsenic was included in the 1999 investigation).

The site assessment recommended under this agreement would expand the area of investigation within the footprint of the proposed garage adjacent to City Hall under Crescent Drive. The investigation would include analysis of metals in the soil, and methane gas as required by adoption of the recent Building Code.

DISCUSSION

To conduct the necessary site assessment staff recommends engaging Xeon, Inc., dba CTL Environmental Services. A principal member of CTL Environmental Services is Ulf Lindmark, former President and Principal of Lindmark Engineering. From 1996 through 2006 Lindmark Engineering conducted numerous environmental site assessment investigations of City properties, and Mr. Lindmark brings a wealth of past knowledge and history of the site for the services required herein.

A proposal for services was submitted and evaluated by staff and the City Attorney's environmental specialist. The scope includes the following:

- Task 1 - Project Preparation: review of offsite reports.
- Task 2 - Geophysical Survey: identify any unmarked utilities and pipelines in the areas of the planned borings.
- Task 3 - Field Investigation: drill fifteen (15) soil sampling borings to a total depth of 20 feet to 50 feet below the surface; five (5) groundwater sampling deep borings; and install soil-gas probes within the two southern borings to test for volatile organic compounds (VOCs) including oxygenates, and methane.
- Task 4 - Laboratory Analysis of Soil and Water Samples: submit soil samples to a California-certified laboratory for analysis.
- Task 5 - Report Preparation: prepare and submit a report that will document field methodologies, present an analysis of the data obtained, and make recommendations for further action if necessary.

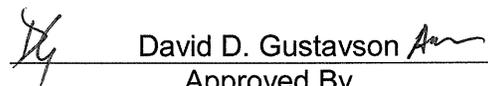
The estimated time to complete the field investigation is five working days. Laboratory analytical services will be performed on a turnaround of five working days. The investigation report will be prepared and submitted to the City in approximately four weeks following receipt of the final laboratory results.

FISCAL IMPACT

The funding of \$66,492 for this agreement has been allocated from the fiscal year 08-09 Capital Improvement Program (CIP) budget for the Crescent Parking Project #0897.



Scott G. Miller
Finance Approval



David D. Gustavson
Approved By

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS
AND XEON, INC. DBA CTL ENVIRONMENTAL SERVICES
FOR SITE ASSESSMENT SERVICES RELATED TO
THE 455 NORTH CRESCENT DRIVE PARKING STRUCTURE

NAME OF CONSULTANT: Xeon, Inc. dba CTL Environmental Services

RESPONSIBLE PRINCIPAL
OF CONSULTANT: Ulf M. Lindmark, PE, BCEE

CONSULTANT'S ADDRESS: 24404 S. Vermont Ave., #307
Harbor City, CA 90710

CITY'S ADDRESS: City of Beverly Hills
455 N. Rexford Drive
Beverly Hills, CA 90210
Attention: Alan Schneider
Director of Project Administration

COMMENCEMENT DATE: Upon receipt of Notice to Proceed

TERMINATION DATE: Upon completion of work satisfactory to City

CONSIDERATION: Fees not to exceed \$61,492 and contingency for
additional services as requested in writing by
City not to exceed \$5,000, based on the rates set
forth in Exhibit B-1
Total not to exceed: \$66,492

AGREEMENT BETWEEN THE CITY OF BEVERLY HILLS
AND XEON, INC. DBA CTL ENVIRONMENTAL SERVICES
FOR SITE ASSESSMENT SERVICES RELATED TO
THE 455 NORTH CRESCENT DRIVE PARKING STRUCTURE

This agreement is made between the City of Beverly Hills (the "City") and Xeon, Inc. dba CTL Environmental Services ("Consultant").

RECITALS

A. City desires to have certain services provided (the "services") as set forth in Exhibit A, Consultant's Proposal, P-408-0129R dated February 13, 2009, attached hereto and incorporated herein, to conduct a subsurface investigation of potential impact from historical site operations and from a gasoline station and railway operation in close proximity to the proposed parking structure located at 455 North Crescent Drive, Beverly Hills.

B. Consultant represents that it is qualified and able to perform the services.

C. Consultant has represented to the City that it is knowledgeable, skilled and experienced and fully qualified to provide the services described herein and to perform such assessment, investigation and analysis contemplated by this agreement in accordance with good industry practices of environmental engineers, geologists and professionals.

NOW, THEREFORE, in consideration of performance by the parties of the promises, covenants, and conditions herein contained, the parties hereto agree, as follows:

Section 1. Consultant's Services. Consultant shall perform the services described in Exhibit A in a manner satisfactory to City and consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing in the same locality under similar conditions.

Section 2. Time of Performance. Consultant shall perform the services within the term of the Project Schedule described in Exhibit A on or by no later than the Termination Date set forth above. The City Manager or his designee may extend the term, in writing, for an additional two-year period pursuant to the same terms and conditions of this Agreement.

Section 3. Compensation. City agrees to compensate Consultant, and Consultant agrees to accept in full satisfaction for the services required by this Agreement the Consideration set forth above and more particularly described in Exhibit B-1, attached hereto and incorporated herein. Said Consideration shall constitute reimbursement of Consultant's fee for the services as well as the actual cost of any equipment, materials, and supplies necessary to provide the services (including all labor, materials, delivery, tax, assembly, and installation, as applicable). City shall pay Consultant said Consideration in accordance with the schedule of payment set forth in Exhibit B-2, attached hereto and incorporated herein.

Section 4. Independent Contractor. Consultant is and shall at all times remain, as to City, a wholly independent contractor. Neither City nor any of its agents shall have control over the conduct of Consultant or any of Consultant's employees, except as herein set forth. Consultant shall not, at any time, or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of City.

Section 5. Assignment. Consultant shall not assign or attempt to assign any portion of this Agreement without the prior written approval of City.

Section 6. Responsible Principal(s).

(a) Consultant's Responsible Principal set forth above shall be principally responsible for Consultant's obligations under this Agreement and shall serve as principal liaison between City and Consultant. Designation of another Responsible Principal by Consultant shall not be made without prior written consent of City.

(b) City's Responsible Principal shall be the City Manager or his designee set forth above who shall administer the terms of the Agreement on behalf of City.

Section 7. Personnel. Consultant represents that it has, or shall secure at its own expense, all personnel required to perform Consultant's services under this Agreement.

Section 8. Interests of Consultant. Consultant affirms that it presently has no interest and shall not have any interest, direct or indirect, which would conflict in any manner with the performance of the services contemplated by this Agreement. No person having any such interest shall be employed by or be associated with Consultant.

Section 9. Insurance.

(a) Consultant shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive General Liability Insurance, with minimum limits of Two Million Dollars (\$2,000,000) for each occurrence, combined single limit, against any personal injury, death, loss or damage resulting from the wrongful or negligent acts by Consultant.

(b) Consultant shall at all times during the term of this Agreement carry, maintain, and keep in full force and effect, a policy or policies of Comprehensive Vehicle Liability Insurance covering personal injury and property damage, with minimum limits of One Million Dollars (\$1,000,000) per occurrence combined single limit, covering any vehicle utilized by Consultant in performing the services required by this Agreement.

(c) Consultant shall at all times during the term of this Agreement, carry, maintain and keep, in full force and effect, a policy or policies of Professional Liability Insurance (errors and omissions) with minimum limits of One Million Dollars (\$1,000,000) per claim and in the aggregate. Any deductibles or self-insured retentions attached to such policy or policies must be declared to and be approved by City. Further, Consultant agrees to maintain in full force and effect such insurance for one year after performance of work under this Agreement is completed.

(d) Consultant shall at all times during the term of this Agreement, carry, maintain and keep, in full force and effect, a policy or policies of Environmental Pollution Insurance, including Contractor's Pollution Liability coverage with minimum limits of Two million Dollars (\$2,000,000) per claim and in the aggregate.

(e) Consultant agrees to maintain in force at all times during the performance of work under this Agreement workers' compensation insurance as required by law.

(f) Consultant shall require each of its sub-consultants or sub-contractors to maintain insurance coverage which meets all of the requirements of this Agreement.

(g) The policy or policies required by this Agreement shall be issued by an insurer admitted in the State of California and with a rating of at least a B+;VII in the latest edition of Best's Insurance Guide.

(h) Consultant agrees that if it does not keep the aforesaid insurance in full force and effect City may either immediately terminate this Agreement or, if insurance is available at a reasonable cost, City may take out the necessary insurance and pay, at Consultant's expense, the premium thereon.

(i) At all times during the term of this Agreement, Consultant shall maintain on file with the City Clerk a certificate or certificates of insurance on the form set forth in Exhibit C, attached hereto and incorporated herein, showing that the aforesaid policies are in effect in the required amounts. Consultant shall, prior to commencement of work under this Agreement, file with the City Clerk such certificate or certificates. The policies of insurance required by this Agreement shall contain an endorsement naming the City as an additional insured. All of the policies required under this Agreement shall contain an endorsement providing that the policies cannot be canceled or reduced except on thirty (30) days prior written notice to City, and specifically stating that the coverage contained in the policies affords insurance pursuant to the terms and conditions as set forth in this Agreement.

(j) The insurance provided by Consultant shall be primary to any coverage available to City. The policies of insurance required by this Agreement shall include provisions for waiver of subrogation.

(k) Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, Consultant shall either reduce or eliminate the deductibles or self-insured retentions with respect to City, or Consultant shall procure a bond guaranteeing payment of losses and expenses.

Section 10. Indemnification. Consultant agrees to indemnify, hold harmless and defend City, City Council and each member thereof, and every officer, employee and agent of City, from any claim, liability or financial loss (including, without limitation, attorneys fees and costs) arising from any intentional, reckless, negligent, or otherwise wrongful acts, errors or omissions of Consultant or any person employed by Consultant in the performance of this Agreement.

Section 11. Termination.

(a) City may cancel this Agreement at any time upon five (5) days written notice to Consultant. Consultant agrees to cease all work under this Agreement on or before the effective date of such notice.

(b) In the event of termination or cancellation of this Agreement by City, due to no fault or failure of performance by Consultant, Consultant shall be paid full compensation for all services performed by Consultant, in an amount to be determined as follows: For work done in accordance with all of the terms and provisions of this Agreement, Consultant shall be paid an amount equal to the amount of services performed prior to the effective date of termination or cancellation; provided, in no event shall the amount of money paid under the foregoing provisions of this paragraph exceed the amount which would be paid Consultant for the full performance of the services required by this Agreement.

Section 12. City's Responsibility. City shall provide Consultant with all pertinent data, documents, and other requested information as is available for the proper performance of Consultant's services. Consultant acknowledges receipt of the documents listed in Exhibit A, page 1 and the Supplemental Documents listed in Exhibit D attached hereto and incorporated herein.

Section 13. Information and Documents. All data, information, documents and drawings prepared for City and required to be furnished to City in connection with this Agreement, including any copies of file documents, shall become the property of City, and City may use all or any portion of the work submitted by Consultant and compensated by City pursuant to this Agreement as City deems appropriate.

Section 14. Confidentiality: Work Product.

(a) Consultant in the course of its duties may have access to confidential data of the City or its employees. Consultant agrees that all data, documents, discussion, or other information developed or received by Consultant or provided for performance of this Agreement and any communications between Consultant, City or its representatives and contractors are deemed confidential and privileged attorney work product. All City data shall be returned to the City upon the termination of this Agreement. Consultant's covenant under this Section shall survive the termination of this Agreement.

(b) The Report described in the Scope of Work and all of Consultant's work in connection therewith is being performed at the request of the City Attorney, as counsel for the City, and will be considered privileged attorney work product and kept confidential. All documents and reports which Consultant prepares in providing its services under this Agreement will be marked "Confidential" and "Attorney Work Product".

(c) Consultant will not disclose any report, materials or other information generated or gathered during the course of its performance of its duties under this Agreement or any of its findings, or any information which it obtains or of which it becomes aware in the course of this project, to any third parties or any governmental agency or entity without the City's prior express, written approval. If Consultant believes that it is required by law to disclose any such

information, it shall not do so until it has first advised the City of the necessity to make such disclosure and given the City a full opportunity to determine whether such disclosure is required by law. The City shall grant such authorization if it determines that the law requires disclosure. Consultant will not disclose to any third party the fact that it has performed the work required by the Agreement on behalf of the City without the City's prior express, written consent.

Section 15. Changes in the Scope of Work. The City shall have the right to order, in writing, changes in the scope of work or the services to be performed. Any changes in the scope of work requested by Consultant must be made in writing and approved by both parties.

Section 16. Notice. Any notices, bills, invoices, or reports required by this Agreement, and any request, demand, statement or other communication required or permitted hereunder shall be in writing to the addresses set forth below and shall be deemed to have been received on (a) the day of delivery, if delivered by hand during regular business hours or by confirmed facsimile during regular business hours; or (b) when actually received, if sent by the United States Mail, postage prepaid, or by express or overnight courier:

If to the City:	City of Beverly Hills 455 North Rexford Drive Beverly Hills, CA 90210 Attn: Alan Schneider Director of Project Administration
With a copy to:	Richards, Watson & Gershon 355 South Grand Avenue, 40th floor Los Angeles, CA 90071 Attention: Laurence S. Wiener, City Attorney
If to Consultant:	Xeon, Inc. dba CTL Environmental Services 24404 S. Vermont Ave., #307 Harbor City, CA 90710 Attention: Ulf M. Lindmark, PE, BCEE

Section 17. Attorney's Fees. In the event of litigation between the parties arising out of or connected with this Agreement, the prevailing party in such litigation shall be entitled to recover, in addition to any other amounts, reasonable attorney's fees and costs of such litigation.

Section 18. Entire Agreement. This Agreement represents the entire integrated agreement between City and Consultant, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both City and Consultant.

Section 19. Governing Law. The interpretation and implementation of this Agreement shall be governed by the domestic law of the State of California.

Section 20. Severability. Invalidation of any provision contained herein or the application thereof to any person or entity by judgment or court order shall in no way affect any

of the other covenants, conditions, restrictions, or provisions hereof, or the application thereof to any other person or entity, and the same shall remain in full force and effect.

Executed this ____ day of _____, 200__.

CITY OF BEVERLY HILLS
A Municipal Corporation

NANCY KRASNE
Mayor of the City of
Beverly Hills, California

CONSULTANT: XEON, INC.
DBA CTL ENVIRONMENTAL
SERVICES

DAVID SCHACK
President

MARK MCNARY
Secretary

APPROVED AS TO FORM:

LAURENCE. S. WIENER
City Attorney

APPROVED AS TO CONTENT:

RODERICK J. WOOD, CCM
City Manager

DAVID D. GUSTAVSON
Director of Public Works & Transportation

ALAN SCHNEIDER
Director of Project Administration

KARL KIRKMAN
Risk Manager

EXHIBIT A
SCOPE OF SERVICES

CONSULTANT Proposal No. P-408-0129R

Consultant is pleased to present this revised proposal to the City of Beverly Hills, Public Works & Transportation Department (Client), to conduct a subsurface investigation to investigate the potential impact from historical site operations and from a gasoline station in close proximity to the proposed North Crescent Drive Parking Structure project (hereafter referred to as the "Site"). This proposal is based on the following:

- Site plans of the proposed project provided by City, prepared by International Parking Design, Inc. (IPD)
- A Phase I report of the adjacent property, prepared by Lindmark Engineering (LE): Phase I Site Assessment, Historic Post Office, 469 North Crescent Drive, Beverly Hills, California, dated October 13, 1999
- A site assessment report of the adjacent property, prepared by LE: Additional Site Assessment, Historic Post Office, 469 North Crescent Drive, Beverly Hills, California, dated December 21, 1999
- Preliminary review of available assessment reports and data from the State of California GeoTracker website on the Unocal Service Station No. 0971, located at 427 North Crescent Drive, Beverly Hills, California
- A Phase II site assessment report of Lots 12 and 13 of the former railroad right-of-way located northeast of the proposed parking structure site: Stage Two – Phase II Environmental Site Assessment, Lots 12 and 13 of the Beverly Hills Land Corporation Railroad Rights-of-Way, Beverly Hills, California, dated June 20, 2003
- Review of subsequent arsenic concentration data collected at Lots 12 and 13 by LE
- A review letter prepared by the Department of Toxic Substances Control (DTSC): Risk Assessment Comments for the Beverly Hills Land Corporation, Lots 12 and 13, Located at 9315 Civic Center Drive, dated September 19, 2007
- A groundwater investigation report prepared by CH2MHill of Lots 12 and 13 of the former railroad right-of-way: Results of October 2008 Groundwater Investigation, 9315 Civic Center Drive (Lots 12 and 13) – Beverly Hills Land Company, Beverly Hills, California, dated November 28, 2008

BACKGROUND

Based on the site plans provided by IPD, the proposed Site encompasses Crescent Drive between Santa Monica Boulevard and Santa Monica Boulevard South and the western portion of the City Hall lawn. The boundary of the proposed site is located along the western side of Crescent Drive and the eastern portion of the City Hall lawn. The majority of the proposed Site borders the eastern side of the existing Annenberg Center and the Post Office. The proposed Site is located northeast of the existing Unocal Service Station No. 0971, which is situated across Santa Monica Boulevard South to the southwest at 427 North Crescent Drive, Beverly Hills, California. As indicated on the Site plans, the maximum depth of the proposed excavation for the parking garage will be approximately 37 feet below existing ground surface, which is slightly above the existing water table.

As indicated in LE's Phase I report of the adjacent property, the property to the west of the proposed Site (existing Annenberg Center and Post Office) was occupied by a federal building and a post office for at least 66 years (1933 to 1999). In 1926 this property was part of a larger lot that was occupied by the Sun Lumber Company. The northern and southern portions of this property were also historically owned and/or operated by the Pacific Electric Railway and occupied by their railroad rights-of-way.

LE also stated in the Phase I report that based on review of agency records, the groundwater beneath the aforementioned Unocal Service Station was impacted by gasoline hydrocarbons, including free product in four wells installed on the property. The report also stated that remediation by vapor extraction was in operation. Review of recent groundwater monitoring data available on the GeoTracker website revealed groundwater contamination by total petroleum hydrocarbons as gasoline (TPH[g]) and methyl tertiary butyl ether (MTBE) along the northern boundary of the service station site.

As indicated in LE's December 1999 site assessment report of the adjacent property, six borings were drilled during November 1999. Results of soil samples collected from the borings revealed no concentrations of TPH as diesel (TPH[d]); benzene, toluene, ethylbenzene and total xylenes (BTEX); or creosote. No concentrations of TPH(g), BTEX, or MTBE were detected in the vapor samples collected from vapor probes installed at 20 and 25 feet below ground surface (bgs) in the boring drilled along the southern boundary of the former post office property. Low levels of methane were detected (maximum concentration of 4.7 ppmv). LE concluded in the report that based on the soil sample laboratory results, no impact on the former post office property from previous railroad operations had occurred. Note, however, that analysis of metals, including arsenic, was not conducted. LE also concluded that based on the soil-vapor results there was no evidence of hydrocarbon vapor migration from the offsite service station site to the former post office property. Note that the drilling and sampling were conducted on the former post office property, located on the adjacent property west of the proposed Site.

To address areas of concern outlined in a previous Phase I environmental update report, LE conducted a Phase II environmental site assessment for the City of Beverly Hills at Lots 12 and 13 of the Beverly Hills Land Corporation Railroad Right-of-Way. The investigation was conducted on the former railroad right-of-way alignment, between Santa Monica Boulevard,

Civic Center Drive, Alpine Drive, and Doheny Drive. The southwestern end of this property is located slightly northeast of the northern portion of the proposed Site. As indicated in the Phase II report dated June 20, 2003, during June 2003 LE drilled 28 shallow borings (each to a total depth of 5 feet bgs) and eight deep soil borings, each drilled between 48 and 55 feet bgs. Soil samples were collected from each of the borings at 2 and 5 feet bgs, and at every 10 feet thereafter in the deep borings by using a direct-push drilling rig. Groundwater was encountered in 5 of the deep borings between 45 and 52 feet bgs, and groundwater hydro-punch samples were collected. No volatile organic compounds (VOCs) other than low levels of chloroform and acetone were detected in the groundwater samples. No concentrations of TPH(g), TPH(d), VOCs, creosote, semi-VOCs, herbicides, or polychlorinated biphenyls were detected at or above practical quantitation limits in the soil samples. Concentrations of total recoverable petroleum hydrocarbons were detected in samples from 12 borings at 17 to 492 mg/kg. Four soil samples collected at 2 feet bgs were analyzed for Title 22 metals. Arsenic concentrations from these four samples ranged from 16.7 to 107 mg/kg. In comparison to the average concentrations cited for California soils as well as the Preliminary Remediation Goals (PRGs) of the United States Environmental Protection Agency, arsenic concentrations in the four analyzed soil samples were significantly elevated. The other metal concentrations appeared to be within background levels.

After receiving e-mail approval from City, LE subsequently analyzed the 104 archived soil samples for arsenic. Elevated concentrations of arsenic were detected in several samples collected at 0.5, 2, and 5 feet bgs, ranging up to 229 mg/kg. The five groundwater samples were also analyzed for arsenic, but no concentrations were detected. An additional 80 soil borings were drilled and samples were collected at 0.5, 2, and 5 feet bgs from most of the borings. Elevated concentrations of arsenic were detected, ranging up to 996 mg/kg.

In their review letter dated September 19, 2007, the DTSC responded to a human health risk assessment prepared by CH2M/Hill for the Beverly Hills Land Corporation. The risk assessment was conducted to evaluate the arsenic concentrations on Lots 12 and 13. CH2M/Hill proposed a remediation goal of 27.3 mg/kg, but the DTSC rejected this proposed goal. The letter stated that the DTSC had conducted background sampling in the site vicinity which showed arsenic concentrations ranging between 10 and 14 mg/kg. The DTSC letter further stated that the source of the arsenic at the railroad-right-of way site (Lots 12 and 13) was apparently sodium arsenite, which was used as an herbicide by the Pacific Electric Railway Company.

Following approval of a groundwater investigation work plan by the DTSC, during October 2008, CH2M/Hill conducted a hydro-punch groundwater investigation within Lots 12 and 13 and at nearby offsite locations. Groundwater levels were evaluated and samples were collected from eight borings. Depths to groundwater ranged from 27.5 feet (at the northeastern end of the site) to 55 feet bgs. Concentrations of arsenic ranged from below the detection limit to 270 micrograms per liter ($\mu\text{g/L}$). The higher concentrations were from borings drilled within Lots 12 and 13. The concentration of 270 $\mu\text{g/L}$ exceeded the California Maximum Contaminant Level for arsenic in drinking water (10 $\mu\text{g/L}$).

Based on review of the above-mentioned reports and data, Consultant recommends conducting a subsurface investigation to determine whether the proposed Site has been impacted by former lumber yard and railroad operations (primarily arsenic), and to verify that no hydrocarbon vapor

migration from the offsite service station has affected the Site. This investigation is to include sampling and analysis of metals, including arsenic, throughout the proposed Site. Specifically, sampling for arsenic should be conducted along the former railroad right-of-way located along the northern portion of the proposed Site.

Task 1 – Project Preparation

Review of Offsite Reports

Consultant shall review in more detail the reports and groundwater monitoring data available from the State of California GeoTracker website on the Unocal Service Station No. 0971, 427 North Crescent Drive, Beverly Hills, California. The review will focus on offsite contamination originating from the service station and possibly affecting the southern portion of the proposed Site.

Consultant shall also make an appointment with the Regional Water Quality Control Board (RWQCB) and conduct a file review of the Unocal Service Station No. 0971. The reports to be reviewed are the older site assessment and well installation reports that are not available on the State of California GeoTracker website. Consultant shall review offsite boring and well logs that may have been located within or near the southern portion of the proposed parking garage area. Associated soil analytical data and plume maps, if available, will also be researched.

Consultant shall also conduct additional review of existing reports and letters prepared by LE, CH2M/Hill, and the DTSC regarding Lots 12 and 13 along the former railroad right-of-way alignment. This review will likely include an appointment with the DTSC to conduct a file review of Lots 12 and 13, located at 9315 Civic Center Drive.

Utility Notification and Preparation of Base Map

Consultant shall pre-mark all proposed boring locations and notify Underground Service Alert (USA) at least 48 hours before commencing any drilling activities at the site. USA will notify companies and agencies that may have underground utilities in the vicinity to mark their respective utilities on the ground with spray paint so that they can be avoided during drilling. As additional due diligence, Consultant shall hand-auger all boring locations to approximately 5 feet bgs before drilling commences.

Consultant shall also prepare a base map of the area, including boundaries of the proposed parking garage, the city streets (Crescent Drive, Santa Monica Boulevard, and Santa Monica Boulevard South) and sidewalk, building boundaries, and the northern boundaries of the Unocal service station property. The proposed borings will be plotted on this map.

Health and Safety Plan

Consultant shall prepare a site-specific health and safety plan prior to performing the fieldwork at the site. The health and safety plan will be prepared and implemented per OSHA requirements (29 CFR 1910.120) to address the proposed scope of work. Consultant's representative onsite

typically holds a “tailgate” meeting with the subcontractors at the subject property prior to initiating any fieldwork to review the scope of work and safety procedures. The subcontractors will review and sign the health and safety plan prior to beginning the fieldwork.

Permitting

Consultant estimates that five of the proposed boring locations will be drilled at accessible locations near the curb on Crescent Drive. Consultant shall obtain an encroachment permit from to drill at these locations.

Consultant shall also obtain a permit from the Los Angeles County Department of Health Services (DHS) to drill borings and sample the groundwater at the five deep boring locations. Prior to conducting drilling activities, Consultant shall notify the appropriate agencies so that representatives from the respective agencies can be present during the field activities.

Task 2 – Geophysical Survey

Consultant proposes that a geophysical survey be conducted to identify any unmarked utilities and pipelines in the areas of the planned borings. The geophysical survey typically uses ground-penetrating radar or electromagnetic field instruments to located buried objects that may interfere with drilling efforts.

Task 3 – Field Investigation

Soil Sampling and Drilling

Consultant proposes to drill and sample fifteen (15) soil borings to a total depth of 20 to 50 feet bgs, using a direct-push Geoprobe system equipped with steel push rods. Ten of the borings will be drilled to 20 feet bgs, the other five borings to 50 feet bgs, or to the groundwater surface, whichever occurs first. Based on the aforementioned reports, groundwater is expected to occur at approximately 40 to 50 feet bgs. Soil samples for geologic logging and laboratory analysis will be collected from each boring at 0.5, 2, 5, 10, 15, and 20 feet; and at 25, 30, 35, 40, 45, and 50 feet bgs in the deep borings. The borings will be logged according to the Unified Soil Classification System by or under the supervision of a California Professional Geologist (PG).

Soil samples will be collected by hydraulically advancing a large bore, 1.5-inch-diameter sampler into the soil using the Geoprobe drill rig. A retractable piston attached to the bottom of the casing will be adjusted so that it will slide up into the casing when the casing is advanced. The soil samples will be collected, as the casing is advanced, in 24-inch-long acetate liners housed at the bottom of the casing. All drilling and sampling equipment will be cleaned before each use by a three-bucket wash consisting of a non-phosphate detergent wash, tap water, and distilled water.

Volatile organic vapor concentrations of each soil sample will be measured using a photoionization detector (PID). The samples will be immediately placed in a plastic bag to allow

organic vapors to volatilize for several minutes prior to each measurement. The soil sample descriptions, exact sampling depths, and PID readings will be presented on the boring logs.

Soil samples from each boring will be retained in acetate sleeves sealed with Teflon tape and plastic caps. Soil samples to be analyzed for VOCs will also be collected in accordance with EPA Method 5035 procedures. The samples will be labeled, stored on ice at 4°C, and transported to a state-certified laboratory within 48 hours of collection. Each sample will be labeled with the boring number and sampling depth and recorded on a chain-of-custody record identifying the sampler, date, time, couriers used, responsible laboratory personnel, and requested analyses. In accordance with DTSC protocols, appropriate QA/QC soil samples will also be collected during the soil sampling program. Ten percent of soil samples submitted for laboratory analysis (each analysis) will be submitted as duplicate (collocated) soil samples and analyzed for the same constituents. In addition, one equipment blank sample for each soil analyses will be submitted for laboratory analysis. One out of every 20 samples will also be selected for matrix spike/matrix spike duplicate testing for the laboratory.

Groundwater Sampling – Deep Borings

As stated above, five of the borings will be drilled to 50 feet bgs, or to the groundwater surface, whichever occurs first. After wet soils are encountered in the deep borings and all soil samples are collected, the depth to groundwater will be measured using an electronic water level indicator. Groundwater samples will then be collected using the hydro-punch groundwater sampling method. Appropriate water sample containers will be filled, sealed with Teflon-lined caps, labeled, placed on ice, and transported to a state-certified laboratory for analysis. Each sample will be recorded on a chain-of-custody form identifying the sampler, sample name, type of sample containers, couriers, responsible laboratory personnel, and requested analyses.

All reusable groundwater sampling equipment, including the electronic water level indicator, will be decontaminated between sampling locations with a three-bucket wash consisting of a non-phosphate detergent, a tap water rinse, and a final rinse in distilled water.

In accordance with DTSC protocols, appropriate QA/QC groundwater samples will also be collected during the groundwater sampling program. Ten percent of groundwater samples submitted for laboratory analysis (each analysis) will be submitted as a duplicate and analyzed for the same constituents. One trip blank sample per day of sampling for TPH(g) and VOCs will also be submitted for the same constituents. One equipment blank sample for each water analyses will also be submitted for laboratory analysis.

After the groundwater samples are collected, the borings (except for the soil-gas borings) will be backfilled with bentonite grout and capped with asphalt or concrete (if necessary) to match the surrounding surface.

Soil-Gas Survey

Following soil and groundwater sampling, Consultant proposes to install soil-gas probes within the two southern borings at depths of 10, 20, 30, and 40 feet bgs. Soil-gas probe installation and

sampling will be conducted in accordance with the RWQCB's January 2003 Advisory – Active Soil Gas Investigations. At least 24 hours following installation of the soil-gas probes, soil-gas samples will be collected and analyzed by an onsite mobile laboratory for volatile organic compounds (VOCs) including oxygenates, and for methane, by EPA Methods 8260B and 8015B, respectively.

In accordance with the RWQCB/DTSC protocols, a minimum of one field duplicate sample for each day of soil-gas sampling will be collected and analyzed by the mobile laboratory for VOCs and methane by EPA Methods 8260B and 8015B. A soil-gas method blank sample will also be collected and analyzed by the mobile laboratory during each day of soil-gas sampling. Purge testing of one, three, and seven purge volumes will be conducted at the first soil-gas probe to be sampled. A leak test will also be conducted at every soil-gas probe, using an appropriate tracer compound.

Note that the vapor probes will remain in the borings until the soil-gas samples are collected and analyzed. The vapor probes will then be removed and the borings backfilled and capped with asphalt or concrete (if necessary) to match the surrounding surface.

Task 4 – Laboratory Analysis of Soil and Water Samples

Soil samples will be sent to a California-certified laboratory for analysis. All laboratory analyses will be performed on a standard one-week turnaround. Selected soil samples will be analyzed for Title 22 metals, TPH fuel characterization (as gasoline, diesel, and waste oil), and/or VOCs with oxygenates by EPA Methods 6010B, 8015B, and 8260B, respectively. Soil samples collected from each boring at 0.5, 2, 5, and 10 feet bgs will be analyzed for arsenic by EPA Method 6020. Samples collected at 20, 30, and 40 feet bgs from the five deep borings will also be analyzed for arsenic. Selected samples collected at deeper depths will also be analyzed for arsenic, depending on the results of shallow samples. Selected soil samples will be analyzed for Title 22 metals and for TPH fuel characterization. Soil samples collected at 2 and 5 feet bgs from the majority of the borings will be analyzed for TPH(g) and VOCs with oxygenates; selected deeper samples will also be analyzed for these constituents.

To determine whether soils potentially impacted by arsenic would be characterized as California hazardous waste or Resource Conservation and Recovery Act (RCRA) hazardous waste, Consultant also recommends that the soil samples with the highest concentrations of arsenic and representing different depths and lithologies be analyzed by Soluble Threshold Limit Concentration (STLC) and Toxicity Characteristic Leaching Procedure (TCLP) analyses. Consultant estimates that two soil samples will be analyzed by STLC and TCLP methods.

Hydro-punch groundwater samples will be analyzed for TPH(g), VOCs, and oxygenates by EPA Method 8260B, and for total and dissolved arsenic by EPA Method 6020. The water samples to be analyzed for arsenic will be immediately delivered to the laboratory and filtered at the laboratory.

Task 5 – Report Preparation

Following completion of the fieldwork, Consultant shall prepare and submit a report that will document field methodologies, present an analysis of the data obtained, and make recommendations for further action if necessary. The report will be reviewed and signed by a PG and will include the following:

- Vicinity map, site plot plan, and chemical concentration data maps (if targeted analytes are detected);
- Summary of offsite file review;
- Tabulation of analytical data from laboratory reports;
- Summary of field activities, including soil and groundwater sampling methodologies;
- Boring logs and vapor probe construction details;
- Laboratory reports and chain-of-custody documentation; and
- Findings, conclusions, and recommendations

The report will include the development of recommendations for corrective action to address elevated concentrations of arsenic (if detected) or other contaminants of concern.

Task 6 – Project Management

Consultant assigns a project manager to schedule fieldwork, oversee subcontractors and geologists during the field investigation, conduct an ongoing budget analysis, and perform quality control on all phases of the project.

Compensation

Consultant proposes to conduct the scope of services on a time-and-materials basis for an estimated not to exceed fee of \$61,492.00. The cost estimate is detailed in Table 1, included as an attachment.

Project Schedule

The estimated time to complete the field investigation is five working days. Laboratory analytical services will be performed on a turnaround of five working days. The investigation report will be prepared and submitted to the client in approximately four weeks following receipt of the final laboratory results.

Assumptions

The following assumptions have been made with regard to this proposal and estimated fees:

- The subsurface investigation will be completed within four working days, plus one day for soil-gas analysis by the onsite mobile laboratory.
- The subsurface soil investigation will be performed using a direct-push Geoprobe system.
- All field activities will be performed during regular business hours (7:00 AM to 5:00 PM).
- City shall provide timely access to planned boring locations at the site.
- The investigation will be limited to accessible locations.
- Laboratory analytical services will be performed on a turnaround of five working days. The number and type of laboratory analyses will be as indicated in the Cost Estimate.

Exclusions

Consultant and its drilling subcontractor are not responsible for damage to or replacement of underground lines/utilities (i.e., gas/water/electrical/ sewer laterals, etc.) not brought to the attention of Consultant by City or its representatives.

EXHIBIT B-1
Schedule of Rates

Table 1 – Cost Schedule
CBH North Crescent Drive Parking Garage Investigation
P-408-0129

Task	Description	Units	Cost	Markup	Subtotal	Total
1	Review of offsite reports (GeoTracker and RWQCB/DTSC file review)					\$5,520.00
	Supervising Geologist	15 hr	\$150.00		\$2,250.00	
	Project Geologist	20 hr	\$110.00		\$2,200.00	
	Environmental Scientist	10 hr	\$90.00		\$900.00	
	Mileage	100 ea	\$0.55		\$55.00	
	Outside Services					
	RWQCB and DTSC file review/copy fees	1 ea	\$100.00	1.15	\$115.00	
1a	Pre-mark borings, utility notification, base map, health and safety plan, permit					\$5,425.75
	Supervising Geologist	4 hr	\$150.00		\$600.00	
	Project Manager	8 hr	\$140.00		\$1,120.00	
	Project Geologist	15 hr	\$110.00		\$1,650.00	
	CAD Operator	10 hr	\$90.00		\$900.00	
	Outside Services					
	DHS permit fees	5 ea	\$201.00	1.15	\$1,155.75	
1b	Geophysical Survey					\$2,155.00
	Project Geologist	6 hr	\$110.00		\$660.00	
	Outside Services					
	Geophysical Surveyor (Spectrum)	1 ea	\$1,300.00	1.15	\$1,495.00	
2	Field Investigation					\$24,788.75
	Supervising Geologist	5 hr	\$150.00		\$750.00	
	Project Manager	10 hr	\$140.00		\$1,400.00	
	Project Geologist	55 hr	\$110.00		\$6,050.00	
	Environmental Scientist	40 hr	\$90.00		\$3,600.00	
	PID	1 wk	\$400.00		\$400.00	
	Small consumables	4 day	\$30.00		\$120.00	
	Water level meter	4 day	\$40.00		\$160.00	
	En Core® samplers	108 ea	\$10.00		\$1,080.00	
	Mileage	500 mi	\$0.55		\$275.00	
	Outside Services					
	Geoprobe drilling subcontractor (Interphase)	1 ls	\$7,825.00	1.15	\$8,998.75	
	Soil-gas survey subcontractor (Interphase)	1 day	\$1,700.00	1.15	\$1,955.00	
3	Soil Laboratory Analysis (including QA/QC samples)					\$10,869.80
	TPH(g), VOCs, and oxygenates by EPA Method 8260B	38 ea	\$116.00	1.15	\$5,069.20	
	TPH(d) and TPH(o) by EPA Method 8015B	28 ea	\$43.00	1.15	\$1,384.60	
	Title 22 metals by EPA Method 6010B	20 ea	\$95.00	1.15	\$2,185.00	
	Arsenic by EPA Method 6020	87 ea	\$20.00	1.15	\$2,001.00	
	STLC/TCLP for arsenic	2 ea	\$100.00	1.15	\$230.00	
3a	Water Laboratory Analysis (Including QA/QC samples)					\$1,522.60
	TPH(g), VOCs, and oxygenates by EPA Method 8260B	9 ea	\$116.00	1.15	\$1,200.60	
	Total arsenic by EPA Method 6020	7 ea	\$20.00	1.15	\$161.00	
	Dissolved arsenic by EPA Method 6020	7 ea	\$20.00	1.15	\$161.00	
4	Report Preparation					\$7,765.00
	Principal Engineer	1 hr	\$200.00		\$200.00	
	Supervising Geologist	12 hr	\$150.00		\$1,800.00	
	Project Geologist	25 hr	\$110.00		\$2,750.00	
	Project Manager	15 hr	\$140.00		\$2,100.00	
	CAD Operator	6 hr	\$90.00		\$540.00	
	Technical Editor	5 hr	\$75.00		\$375.00	
5	Project Management					\$3,445.00
	Principal Engineer	1 hr	\$200.00		\$200.00	
	Project Administrator Assistant	5 hr	\$73.00		\$365.00	
	Project Manager	12 hr	\$140.00		\$1,680.00	
	Supervising Geologist/Senior Project Manager	8 hr	\$150.00		\$1,200.00	
	TOTAL COST					\$61,491.90

**CTL ENVIRONMENTAL SERVICES
SUPPLEMENTAL BILLING LIST & OUTSIDE SERVICES**

Soil and Water				
Unit #	Rate	Unit #	Rate	
01	Hand-auger and Soil Sampler	\$50/day	08 Submersible Pump	\$50/day
02	Portable Generator	\$75/day	09 Interface Probe	\$50/day
03	Brass Rings	\$8 each	10 Turbidity Meter	\$30/day
04	Disposable Bailer	\$10 each	11 Dissolved Oxygen Meter	\$40/day
05	Conductivity/pH/Temp/TDS/ORP Monitor	\$50/day	12 En Core® Sampler	\$10 each
06	Water-level Indicator	\$40/day	13 DC Purging Pump	\$20/day
07	Stainless Steel Rings	\$5 each		
Air and Gas				
Unit #	Rate	Unit #	Rate	
20	Draeger Tubes	\$10 each	29 Flame-ionization Detector	\$600/week
21	Magnehelic Gauge	\$10/day	30 Tedlar Bags	\$12 each
22	Photo-ionization Detector (PID)	\$100/day	31 Sensidyne GilAir 5RC	\$20/day
23	Photo-ionization Detector (PID)	\$400/week	32 Sensidyne GilAir 5RC	\$80/week
24	Novalynx Weather Station w/Solar Panel Battery	\$75/day	33 3-Gas Meter	\$100/day
25	Novalynx Weather Station w/Solar Panel Battery	\$300/week	34 GasTech 4-gas Meter	\$100/day
26	Pitot Tube	\$10/day	35 Particle Counter	\$82.50/day
27	Vapor Probe	\$10 each	36 Temperature/Rh Logger	\$82.50/day
28	Flame-ionization Detector	\$150/day	37 LEL Detector	\$75/day
Health and Safety Equipment				
Unit #	Rate	Unit #	Rate	
40	Tyvek Suit	\$10/day/person	42 Level B Protection	\$100/day/person
41	Level C Protection (incl. respirator and face shield)	\$30/day/person	43 Daily Consumables	\$75.00/day
Vehicles				
Unit #	Rate	Unit #	Rate	
50	Vehicle Mileage (Portal to Portal)	\$0.65/mile	51 Heavy-duty Truck/Van	\$80/day
Miscellaneous				
Unit #	Rate	Unit #	Rate	
60	Small Consumables (incl. gloves, water, rope, tape, pens, bottles, paint, warning tape, distilled water, etc.)	\$30/day	63 Trimble GeoXH GPS	\$400/week
61	D-Size Blue Line Print	\$2 each	64 Generator	\$75.00/day
62	Trimble GeoXH GPS	\$100/day		
Report Production				
Unit #	Rate	Unit #	Rate	
70	2" White View Binder	\$13.50 each	72 4" White View Binder	\$25 each
71	3" White View Binder	\$16 each	73 5" White View Binder	\$46 each
Workplace Health and Safety				
Unit #	Rate	Unit #	Rate	
80	XRF Analyzer	\$110/day	82 Carbon Dioxide Logger	\$82.50/day
81	Boroscope	\$82.50/day	83 Moisture Meter	\$82.50/day

Reimbursable Expenses

Unit #	Rate	Unit #	Rate
90	Travel, Meals, Parking	93	Digital Photographs
	Cost plus 15%		\$2.20/page
91	Other Expenses Not Specified	95	Copies Reproduction (Black and White)
	Cost plus 15%		\$0.13/page
92	Copies Reproduction (Color)		\$2.20/page

Analytical

Unit #	Rate	Unit #	Rate
100	Other than specified	118	Total spore – normal turnaround (72 hours)
	Cost plus 15%		\$82.50 each
101	Fungi – PCR	119	TEM air sample analysis (3–5-day turnaround)
	As quoted		\$66/sample
102	TO-14 VOCs	120	Respirable dust – air
	\$434.50 each		\$60.50 each
103	e.coli	121	Total dust – air
	\$192.50/each		\$60.50 each
104	Legionella – water	122	Lead soil sample analysis (<8-hour turnaround)
	\$192.50/each		\$44/sample
105	STLC (standard turnaround) 5 days	123	Lead air sample analysis (<8-hour turnaround)
	\$126.50/sample		\$38.50/sample
106	Tape lift – rush turnaround (<72 hours)	124	Lead wipe sample analysis (8-hour turnaround)
	\$115.50 each		\$38.50/sample
107	Total spore – rush turnaround (<72 hours)	125	Lead soil sample analysis (24-hour turnaround)
	\$115.50 each		\$33/sample
108	TEM air sample analysis (<8-hour turnaround)	126	TTLIC (standard turnaround) 5 days
	\$110/sample		\$33/sample
109	Culturable fungi – bulk (7–10 days)	127	Lead air sample analysis (24-hour turnaround)
	\$104.50 each		\$27.50/sample
110	Culturable fungi – bulk dust (7–10 days)	128	Lead wipe sample analysis (24-hour turnaround)
	\$104.50 each		\$27.50/sample
111	Culturable fungi – swab (7–10 days)	129	PLM analysis (<8-hour turnaround)
	\$104.50 each		\$27.50/sample
112	TEM air sample analysis (24-hour turnaround)	130	PLM analysis (24-hour turnaround)
	\$99/sample		\$22/sample
113	Formaldehyde	131	Lead air sample analysis (2–5-day turnaround)
	\$97.90 each		\$16.50/sample
114	Dust constituent analysis – bulk/wipe/air	132	Lead soil sample analysis (3–5-day turnaround)
	\$93.50 each		\$16.50/sample
115	TCLP (standard turnaround) 5 days	133	Lead wipe sample analysis (3–5-day turnaround)
	\$93.50/sample		\$16.50/sample
116	Culturable fungi – air (7–10 days)	134	PLM analysis (3–5-day turnaround)
	\$82.50 each		\$13.20/sample
117	Tape lift – normal turnaround (72 hours)		
	\$82.50 each		

**CTL ENVIRONMENTAL SERVICES
PROFESSIONAL SERVICES FEE SCHEDULE**

Professional Staff							
<i>Title, Discipline and Classification</i>			<i>Rate</i>	<i>Title, Discipline and Classification</i>			<i>Rate</i>
Principal	Scientist, Engineer, Geologist, Industrial Hygienist	P7/P8	\$200.00	Project Supervisor/Project	Scientist, Engineer, Geologist, Industrial Hygienist	P3	\$110.00
Sr. Project Manager/Associate	Scientist, Engineer, Geologist, Industrial Hygienist	P6	\$150.00	Staff	Scientist, Engineer, Geologist, Industrial Hygienist	P2	\$90.00
Team Leader/Senior	Scientist, Engineer, Geologist, Industrial Hygienist	P5	\$140.00	Graduate	Scientist, Engineer, Geologist, Industrial Hygienist	P1	\$80.00
Project Manager	Scientist, Engineer, Geologist, Industrial Hygienist	P4	\$130.00				
Technical Staff							
<i>Title, Discipline and Classification</i>			<i>Rate</i>	<i>Title, Discipline and Classification</i>			<i>Rate</i>
Project Supervisor	State Accredited/Certified Asbestos/Lead Professional	T4	\$85.00	Sr. WHS/ Environmental Technician	State Accredited/Certified Asbestos/Lead Professional	T2	\$79.00
WHS/Environmental Specialist	State Accredited/Certified Asbestos/Lead Professional	T3	\$79.00	WHS/Environmental Technician	Field Technician/Technical Assistant	T1	\$70.00
Administrative Staff							
<i>Title, Discipline and Classification</i>			<i>Rate</i>	<i>Title, Discipline and Classification</i>			<i>Rate</i>
Technical Editor		A6	\$80.00	Project Manager Assistant		A5	\$73.00
CADD Operator		A6	\$80.00	Administrative Assistant		A1-A4	\$63.00

EXHIBIT B-2

Schedule of Payment

Consultant shall submit an itemized statement to City for its services performed, which shall include documentation setting forth in detail a description of the services rendered and the hours of service. City shall pay Consultant the amount of such billing within thirty (30) days of receipt of same. In no event shall City's obligation to pay for services and materials exceed the total consideration set forth on page 1, i.e. Sixty-Six Thousand Four Hundred Ninety-Two Dollars (\$66,492).

CERTIFICATE OF INSURANCE

This is to certify that the following endorsement is part of the policy(ies) described below:

NAMED INSURED

COMPANIES AFFORDING COVERAGE

- A.
- B.
- C.

ADDRESS

COMPANY (A. B. C.)	COVERAGE	POLICY NUMBER	EXPIRATION DATE	LIMITS		
				B.I.	P.D.	AGGREGATE
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> PRODUCTS/COMPLETED OPERATIONS <input type="checkbox"/> BLANKET CONTRACTUAL <input type="checkbox"/> CONTRACTOR'S PROTECTIVE <input type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EXCESS LIABILITY <input type="checkbox"/> WORKERS' COMPENSATION <input type="checkbox"/>					

It is hereby understood and agreed that the City of Beverly Hills, its City Council and each member thereof and every officer and employee of the City shall be named as joint and several assureds with respect to claims arising out of the following project or agreement:

It is further agreed that the following indemnity agreement between the City of Beverly Hills and the named insured is covered under the policy: Contractor agrees to indemnify, hold harmless and defend City, its City Council and each member thereof and every officer and employee of City from any and all liability or financial loss resulting from any suits, claims, losses or actions brought against and from all costs and expenses of litigation brought against City, its City Council and each member thereof and any officer or employee of City which results directly or indirectly from the wrongful or negligent actions of contractor's officers, employees, agents or others employed by Contractor while engaged by Contractor in the (performance of this agreement) construction of this project.

It is further agreed that the inclusion of more than one assured shall not operate to increase the limit of the company's liability and that insurer waives any right of contribution with insurance which may be available to the City of Beverly Hills.

In the event of cancellation or material change in the above coverage, the company will give 30 days written notice of cancellation or material change to the certificate holder.

Except to certify that the policy(ies) described above have the above endorsement attached, this certificate or verification of insurance is not an insurance policy and does not amend, extend or alter the coverage afforded by the policies listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate or verification of insurance may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

DATE: _____

BY: _____
Authorized Insurance Representative

AGENCY: _____

TITLE: _____
 ADDRESS: _____

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

3/12/2009

PRODUCER
 Aon Private Risk Management
 707 Wilshire Blvd
 Los Angeles CA 90017
 (213) 630-3200

INSURED
 Xeon, Inc
 24404 S. Vermont Ave., Suite 307
 Harbor City CA 90710

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

NAIC #

INSURER A: American International Special	26883
INSURER B: Commerce and Industry Insuranc	19410
INSURER C: Granite State Insurance Compan	23809
INSURER D:	
INSURER E:	

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	PROP 1454606	7/30/2008	7/30/2009	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
B		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	CA6439442	7/30/2008	7/30/2009	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
A		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	PROU1454651	7/30/2008	7/30/2009	EACH OCCURRENCE \$ 4,000,000 AGGREGATE \$ 4,000,000 \$ \$ \$
C		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC0936900	8/1/2008	8/1/2009	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A		OTHER Professional Liab	PROP 1454606	7/30/2008	7/30/2009	PL Limit \$1,000,000

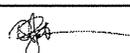
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

City of Beverly Hills, it's City Council and each member thereof and every officer and employee of the city are included as Additional Insured regarding all operations performed by the Named Insured under said contract, and always subject to the policies terms, conditions and exclusions. Waiver of subrogation is granted in favor of the City of Beverly Hills.
 *Insured's Policy offers Pollution coverage with a total limit of \$5,000,000. \$1,000,000

CERTIFICATE HOLDER

City of Beverly Hills
 City Clerk's Office Room 190, City Hall
 455 North Rexford Drive
 Beverly Hills CA 90210-4836

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
 AUTHORIZED REPRESENTATIVE 

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

DESCRIPTION OF OPERATIONS SECTION CONTINUED

DATE
3/12/2009

CERTIFICATE HOLDER:

City of Beverly Hills
City Clerk's Office Room 190, City Hall
455 North Rexford Drive

Beverly Hills CA 90210-4836

INSURED:

Xeon, Inc

24404 S. Vermont Ave., Suite 307
Harbor City CA 90710

DESCRIPTION OF OPERATIONS CONTINUED:

under GL/Professional Liability Policy + \$4,000,000 under Excess/Umbrella Policy".

ENDORSEMENT NO. 20

This endorsement, effective 12:01 AM, July 30, 2008

Forms a part of Policy No: PROP 1454606

Issued to: XEON INC
DBA CTL ENVIRONMENTAL SERVICES

By: AMERICAN INTERNATIONAL SPECIALTY LINES INS. CO.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED / PRIMARY COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY AND
PROFESSIONAL LIABILITY POLICY**

In consideration of an additional premium of \$INCLUDED it is hereby agreed that the following is included as an Additional Insured as respects Coverage A and B but only as respects liability arising out of **your work** for the Additional Insured by or for you.

Additional Insured:

Where Required by Written Contract

This does not apply to **bodily injury** or **property damage** arising out of the sole negligence or willful misconduct of, or for defects in design furnished by, the Additional Insured.

As respects the coverage afforded the Additional Insured, this insurance is primary and non-contributory, and our obligations are not affected by any other insurance carried by such Additional Insured whether primary, excess, contingent, or on any other basis.

This endorsement does not increase the Company's limits of liability as specified in the Declarations of this policy.

All other terms, conditions, and exclusions shall remain the same.



AUTHORIZED REPRESENTATIVE
or countersignature (in states where applicable)

BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

This endorsement changes the policy to which it is attached effective on the inception date of the policy unless a different date is indicated below.

(The following "attaching clause" need be completed only when this endorsement is issued subsequent to preparation of the policy).

This endorsement, effective 12:01 AM 08/01/2008 forms a part of Policy No. WC 093-69-00

Issued to XEON, INC (A CORP)

By GRANITE STATE INSURANCE COMPANY

We have a right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against any person or organization with whom you have a written contract that requires you to obtain this agreement from us, as regards any work you perform for such person or organization.

The additional premium for this endorsement shall be 2 % of the total estimated workers compensation premium for this policy.

EXHIBIT D

SUPPLEMENTAL DOCUMENTS

List of supplemental documents provided to Consultant by City:

<u>DATE</u>	<u>AUTHOR</u>	<u>DESCRIPTION</u>
11/28/08	CH2MHill	Letter to DTSC: Results of October, 2008 Groundwater Investigation 9315 Civic Center Drive
9/10/08	CH2MHill	2008 Groundwater Investigation Work Plan: Beverly Hills Land Corporation Site 9315 Civic Center Drive (Lots 12 & 13)
9/14/07	DTSC	Letter to Union Pacific Railroad: Risk Assessment Comments for the Beverly Hills Land Corporation Lots 12 & 13 Site (9315 Civic Center Drive)