Exhibit K

Eddie Arslanian

Sent: Tue 9/7/2004 9:04 AM

To:

'David Young'; 'Ju-Tseng Liu'

Cc:

Bita Tabatabai

Subject: Valley-Alhambra: NFA Form

Attachments:

View As Web Page

Gentlemen,

Could you please provide us with a status update on this?

Thank you.

Eddie Arslanian, P.E. ENVIRON International Corporation 707 Wilshire Boulevard, Suite 4950 Los Angeles, California 90017

Tel: 213.943.6326 Fax: 213.943.6301

Ju-Tseng Liu [jliu@rb4.swrcb.ca.gov]

Sent: Wed 9/8/2004 10:52 AM

To:

Eddie Arslanian

Cc:

David Young

Subject: Re: Valley-Alhambra: NFA Form

Attachments:

View As Web Page

** Reply Requested When Convenient **

Hi Eddie:

I am away from my office today and will talk with Dave Young tomorrow. Thanks. JT

J.T. Liu

Senior Water Resources Control Engineer

Los Angeles Regional Water Quality Control Board

Site Cleanup Unit II

(213) 576-6667 (tel)

(213) 576-6717 (fax)

E-Mail: Jliu@rb4.swrcb.ca.gov

>>> "Eddie Arslanian" <EArslanian@environcorp.com> 09/07/04 09:05 AM >>>

Gentlemen,

Could you please provide us with a status update on this?

Thank you.

Eddie Arslanian, P.E.

ENVIRON International Corporation

707 Wilshire Boulevard, Suite 4950

Los Angeles, California 90017

Tel: 213.943.6326

Fax: 213.943.6301

Eddie Arslanian

Sent: Wed 9/8/2004 11:08 AM

To:

'Ju-Tseng Liu'

Cc:

'David Young'; Bita Tabatabai

Subject: RE: Valley-Alhambra: NFA Form

Attachments:

View As Web Page

thanks

----Original Message----

From: Ju-Tseng Liu [mailto:jliu@rb4.swrcb.ca.gov] Sent: Wednesday, September 08, 2004 10:53 AM

To: Eddie Arslanian Cc: David Young

Subject: Re: Valley-Alhambra: NFA Form

** Reply Requested When Convenient **

Hi Eddie:

I am away from my office today and will talk with Dave Young tomorrow. Thanks. JT

J.T. Liu

Senior Water Resources Control Engineer

Los Angeles Regional Water Quality Control Board

Site Cleanup Unit II

(213) 576-6667 (tel)

(213) 576-6717 (fax)

E-Mail: Jliu@rb4.swrcb.ca.gov

>>> "Eddie Arslanian" <EArslanian@environcorp.com> 09/07/04 09:05 AM >>>

Gentlemen,

Could you please provide us with a status update on this?

Thank you.

Eddie Arslanian, P.E. **ENVIRON** International Corporation 707 Wilshire Boulevard, Suite 4950 Los Angeles, California 90017

Tel: 213.943.6326

Fax: 213.943.6301

Reply Reply to all & Forward | Reply to all & Forward | Reply & State | A Poly Close | Help

From

Eddie Arslanian

Sent: Fri 9/17/2004 4:00 PM

To:

'Ju-Tseng Liu'

Cc:

'David Young'

Subject:

RE: Valley-Alhambra: NFA Form

Attachments:

View As Web Page

JT and David, anything new on this front?

--Original Message From Ju-Tseng Liu [mailto:iliu@rb4.swrcb.ca.gov]
Sent: Wednesday, September 08, 2004 10:53 AM
To: Eddie Arslanian

Cc: David Young

Subject: Re: Valley-Alhambra: NFA Form

** Reply Requested When Convenient **

Hi Eddie:

I am away from my office today and will talk with Dave Young tomorrow. Thanks. JT

J.T. Liu Senior Water Resources Control Engineer Los Angeles Regional Water Quality Control Board Site Cleanup Unit II

(213) 576-6667 (tel) (213) 576-6717 (fax) E-Mail: Jliu@rb4.swrcb.ca.gov

>>> "Eddie Arslanian" <EArslanian@environcorp.com> 09/07/04 09:05 AM >>>

Could you please provide us with a status update on this?

Thank you.

Eddie Arslanian, P.E.
ENVIRON International Corporation 707 Wilshire Boulevard, Suite 4950 Los Angeles, California 90017 Tel: 213.943.6326 Fax: 213.943.6301

Eddie Arslanian

Sent: Tue 9/21/2004 9:57 AM

To:

'David Young'

Cc:

'Ju-Tseng Liu'; Bita Tabatabai; George Linkletter

Subject: RE: Valley-Alhambra: NFA Form

Attachments:

View As Web Page

Thank you.

----Original Message----

From: David Young [mailto:dyoung@rb4.swrcb.ca.gov]

Sent: Tuesday, September 21, 2004 9:56 AM

To: Eddie Arslanian Cc: Ju-Tseng Liu

Subject: RE: Valley-Alhambra: NFA Form

Hi Eddie. I apologize for the delays, but the closure package will be given to JT this week. Thanks, Dave Young

>>> "Eddie Arslanian" <EArslanian@environcorp.com> 09/17/04 04:00PM >>> JT and David, anything new on this front?

----Original Message----

From: Ju-Tseng Liu [mailto:jliu@rb4.swrcb.ca.gov] Sent: Wednesday, September 08, 2004 10:53 AM

To: Eddie Arslanian Cc: David Young

Subject: Re: Valley-Alhambra: NFA Form

** Reply Requested When Convenient **

Hi Eddie:

I am away from my office today and will talk with Dave Young tomorrow. Thanks. JT

J.T. Liu

Senior Water Resources Control Engineer Los Angeles Regional Water Quality Control Board Site Cleanup Unit II

(213) 576-6667 (tel) (213) 576-6717 (fax)

E-Mail: Jliu@rb4.swrcb.ca.gov

>>> "Eddie Arslanian" <EArslanian@environcorp.com> 09/07/04 09:05 AM >>>

Gentlemen,

Could you please provide us with a status update on this?

Thank you.

Eddie Arslanian, P.E. ENVIRON International Corporation 707 Wilshire Boulevard, Suite 4950 Los Angeles, California 90017

Tel: 213.943.6326 Fax: 213.943.6301

This message contains information that may be confidential, privileged or otherwise protected by law from disclosure. It is intended for the exclusive use of the Addressee(s). Unless you are the addressee or authorized

agent of the addressee, you may not review, copy, distribute or disclose to anyone the message or any information contained within. If you have received this message in error, please contact the sender by electronic reply to email@environcorp.com and immediately delete all copies of the message.

Exhibit L

Ju-Tseng Liu [JLIU@rb4.swrcb.ca.gov]

Sent: Fri 10/1/2004 5:20 PM

To:

Eddie Arslanian

Cc:

David Young

Subject: RE: Valley-Alhambra: NFA Form

Attachments:

View As Web Page

** Reply Requested When Convenient **

Hi Eddie:

I have completed my review of the closure packet and discuss the closure with the Remediation Section chief, Dr. Arthur Heath. Dr. Heath has asked us to check to see if this site is located within the San Gabriel Valley US EPA Superfund area. Please advise. Thanks. JT

Senior Water Resources Control Engineer Los Angeles Regional Water Quality Control Board Site Cleanup Unit II

(213) 576-6667 (tel)

(213) 576-6717 (fax)

E-Mail: Jliu@rb4.swrcb.ca.gov

>>> "Eddie Arslanian" <EArslanian@environcorp.com> 10/01/04 03:32PM >>> Hi guys, are we getting close on this?

----Original Message----

From: Ju-Tseng Liu [mailto:jliu@rb4.swrcb.ca.gov] Sent: Wednesday, September 08, 2004 10:53 AM

To: Eddie Arslanian Cc: David Young

Subject: Re: Valley-Alhambra: NFA Form

** Reply Requested When Convenient **

Hi Eddie:

I am away from my office today and will talk with Dave Young tomorrow. Thanks. JT

J.T. Liu

Senior Water Resources Control Engineer Los Angeles Regional Water Quality Control Board Site Cleanup Unit II

(213) 576-6667 (tel)

(213) 576-6717 (fax)

E-Mail: Jliu@rb4.swrcb.ca.gov

>>> "Eddie Arslanian" <EArslanian@environcorp.com> 09/07/04 09:05 AM >>>

Gentlemen,

Could you please provide us with a status update on this?

Thank you.

Eddie Arslanian, P.E. ENVIRON International Corporation 707 Wilshire Boulevard, Suite 4950 Los Angeles, California 90017

Tel: 213.943.6326 Fax: 213.943.6301

This message contains information that may be confidential, privileged or otherwise protected by law from disclosure. It is intended for the exclusive use of the Addressee(s). Unless you are the addressee or authorized agent of the addressee, you may not review, copy, distribute or disclose to anyone the message or any information contained within. If you have received this message in error, please contact the sender by electronic reply to email@environcorp.com and immediately delete all copies of the message.

This message contains information that may be confidential, privileged or otherwise protected by law from disclosure. It is intended for the exclusive use of the Addressee(s). Unless you are the addressee or authorized

agent of the addressee, you may not review, copy, distribute or disclose to anyone the message or any information contained within. If you have received this message in error, please contact the sender by electronic reply to email@environcorp.com and immediately delete all copies of the message.

Exhibit M

From: I

Eddie Arslanian

Sent: Wed 10/6/2004 1:38 PM

To:

'Ju-Tseng Liu'

ο.

'David Young'; George Linkletter; Bita Tabatabai; 'Joan C.

Cc:

Donnellan (E-mail)'

C. I. . DE William Albamba

Subject: RE: Valley-Alhambra: NFA Form

Attachments:

View As Web Page

Dear JT,

Per our discussion this morning, based on ENVIRON's research, the site is located outside the boundaries of the San Gabriel Valley US EPA Superfund Area.

With regard to the deed-restriction issue that you raised, we at ENVIRON do not recall having such a discussion with the Regional Board. Since this is a legal issue, I have notified Ms. Joan Donnellan, who is the outside counsel for Leggett & Platt. She will contact you to discuss the issue.

Thank you.

----Original Message----

From: Ju-Tseng Liu [mailto:JLIU@rb4.swrcb.ca.gov]

Sent: Friday, October 01, 2004 5:21 PM

To: Eddie Arslanian Cc: David Young

Subject: RE: Valley-Alhambra: NFA Form

** Reply Requested When Convenient **

Hi Eddie:

I have completed my review of the closure packet and discuss the closure with the Remediation Section chief, Dr. Arthur Heath. Dr. Heath has asked us to check to see if this site is located within the San Gabriel Valley US EPA Superfund area. Please advise. Thanks. JT

LT Lin

Senior Water Resources Control Engineer Los Angeles Regional Water Quality Control Board Site Cleanup Unit II

(213) 576-6667 (tel)

(213) 576-6717 (fax)

E-Mail: Jliu@rb4.swrcb.ca.gov

>>> "Eddie Arslanian" <EArslanian@environcorp.com> 10/01/04 03:32PM >>> Hi guys, are we getting close on this?

----Original Message----

From: Ju-Tseng Liu [mailto:jliu@rb4.swrcb.ca.gov] Sent: Wednesday, September 08, 2004 10:53 AM

To: Eddie Arslanian Cc: David Young

Subject: Re: Valley-Alhambra: NFA Form

** Reply Requested When Convenient **

Hi Eddie:

I am away from my office today and will talk with Dave Young tomorrow. Thanks. JT

J.T. Liu Senior Water Resources Control Engineer Los Angeles Regional Water Quality Control Board Site Cleanup Unit II

(213) 576-6667 (tel)
(213) 576-6717 (fax)
E-Mail: Jliu@rb4.swrcb.ca.gov
>>> "Eddie Arslanian" <EArslanian@environcorp.com> 09/07/04 09:05 AM >>>
Gentlemen,

Could you please provide us with a status update on this?

Thank you.

Eddie Arslanian, P.E. ENVIRON International Corporation 707 Wilshire Boulevard, Suite 4950 Los Angeles, California 90017

Tel: 213.943.6326 Fax: 213.943.6301

This message contains information that may be confidential, privileged or otherwise protected by law from disclosure. It is intended for the exclusive use of the Addressee(s). Unless you are the addressee or authorized agent of the addressee, you may not review, copy, distribute or disclose to anyone the message or any information contained within. If you have received this message in error, please contact the sender by electronic reply to email@environcorp.com and immediately delete all copies of the message.

This message contains information that may be confidential, privileged or otherwise protected by law from disclosure. It is intended for the exclusive use of the Addressee(s). Unless you are the addressee or authorized

agent of the addressee, you may not review, copy, distribute or disclose to anyone the message or any information contained within. If you have received this message in error, please contact the sender by electronic reply to email@environcorp.com and immediately delete all copies of the message.

Exhibit N

ENVIRON

March 1, 2004

Mr. J.T. Liu, P.E. Mr. David Young California Regional Water Quality Control Board Los Angeles Region 320 West Fourth Street, Suite 200 Los Angeles, California 90013

Re: Remediation Equipment Removal 4900 East Valley Boulevard, Valley-Alhambra Property Los Angeles, California (SLIC No. 967)

Dear Messrs. Liu and Young:

ENVIRON International Corporation (ENVIRON) requests authorization from the California Regional Water Quality Control Board – Los Angeles Region (LARWQCB) to remove the remediation equipment from the property located at 4900 Valley Boulevard, Los Angeles, California (Site).

As agreed with the LARWQCB on November 18, 2003, ENVIRON performed confirmation soil sampling and final ground water sampling activities at the Site in December 2003 and January 2004. Based on the results of the soil and ground water samples, presented in ENVIRON's report dated February 3, 2004 and submitted to the LARWQCB, ENVIRON recommended that the LARWQCB issue a "No Further Action" designation for the Site.

It is ENVIRON's understanding that the LARWQCB has reviewed the results of the soil and ground water samples and is in agreement with ENVIRON's recommendation for "No Further Action" designation for the Site, pending submittal of the "Case Review Form." Therefore, ENVIRON requests authorization from the LARWQCB to remove the remediation equipment from the Site for the following reasons:

- 1. The current tenant of the Site is eager to remove the remediation equipment, as it has been a nuisance to its operations and taking up considerable space.
- 2. The responsible party for the Site continues to pay a monthly lease for the remediation equipment that has not been used for over 16 months, due to post-rebound monitoring and confirmation soil sampling activities.

Mr. J.T. Liu, P.E. Mr. David Young

3. ENVIRON would like to transport the remediation equipment to another site to put into beneficial use.

ENVIRON will be submitting the "Case Review Form" to the LARWQCB shortly to finalize the closure procedures. If you have any questions regarding this letter, please call any of the undersigned.

Very truly yours,

George O. Linkletter, Ph.D., R.G. (No. 3728)

Principal

Bita Tabatabai, P.E. (No. C51294)
Manager

P:\V\Valley Alhambra\Regional Board Correspondence\letter re equipment removal 030104.doc

Copy: Mr. Robert Anderson, Leggett & Platt

Ms. Joan Donnellan, Leland, Parachini, Steinberg, Matzger & Melnick, LLP

Mr. Gary Herman, S.D. Herman Co., Inc.

1	NORTHRUP SCHLUETER		
	A Professional Law Corporation		
2	Linda L. Northrup, Esq. (SBN 102156)		
	Linda L. Northrup, Esq. (SBN 102156) 31365 Oak Crest Drive, Suite 250		
3	Westlake Village, California 91361		
ı	Tel (818) 707-2600		
4	Westlake Village, California 91361 Tel (818) 707-2600 Fax (818) 707-2675		
ı	1		

Attorneys for Interested Party VALLEY-ALHAMBRA PROPERTIES, a California general partnership

7

5

6

8

9

. .

10 11

12

13

1415

16

17

18

19

20 21

22

23

24

25

26

2728

STATE OF CALIFORNIA

STATE WATER RESOURCES CONTROL BOARD

IN THE MATTER OF THE PETITION OF LEGGETT AND PLATT, INC., FOR REVIEW OF WATER CODE SECTION 13267 ORDER DATED JUNE 11, 2008 BY THE CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD, LOS ANGELES REGION Petition No.

PARTIAL JOINDER OF VALLEY ALHAMBRA PROPERTIES IN PETITION FOR REVIEW PURSUANT TO WATER CODE SECTION 13320 AND 23 C.C.R. §2050 ET SEQ; DECLARATION OF GARY J. HERMAN, SR. IN SUPPORT THEREOF

I. <u>INTRODUCTION</u>

Valley-Alhambra Properties ("Valley Alhambra") is a partnership which is the owner of real property located at 4900 Valley Boulevard, Los Angeles, California ("Site"). Valley Alhambra is a party interested in the proceedings initiated by the Regional Water Quality Control Board ("Regional Board") which resulted in the issuance of an order pursuant to Water Code Section 13267 on June 11, 2008 ("June 11 Order") directed to Leggett and Platt, Inc., the successor in interest to Valley Alhambra's former tenant on the Site. The Valley Alhambra partnership has always consisted of a group of elderly owners, several of whom have passed away during the lengthy time that this remediation process has been pending. As set forth in detail in the accompanying Declaration of Gary Herman, Sr., one of the remaining partners of Valley Alhambra, this process has been ongoing for well over 10 years and has had a significant negative impact on the use and financing of the property, has detrimentally impacted its rental value and has precluded any sale of the property for a full fair market value.

1		During the period since Leggett and Platt ceased its operations on the property, the Site has			
2	been	rented to a succession of warehousing tenants. There have been no manufacturing operations at			
3	the p	the property during that period nor occupation by any tenant whose use would have involved any risk			
4	of dis	of discharge of contaminants or have contributed in any way to any pre-existing hazardous			
5	cond	conditions on the Site. Declaration of Gary Herman, Sr., paragraph 3.			
6	11.	NAME AND ADDRESS OF PARTY IN INTEREST			
7		All correspondence and written communications regarding this matter should be directed to:			
8 9		Gary J. Herman, Sr. 1201 S. Olive Street Los Angeles, California 90015			
10	Telephone: 213-747-6531, Ext. 114 Facsimile: 213-747-4305 garysr@sdherman.com				
11	With a copy to:				
12		Linda L. Northrup, Esq., Counsel for Valley Alhambra Properties			
13 14	Northrup Schlueter, A Professional Law Corporation 31365 Oak Crest Drive, Suite 250 Westlake Village, California 91361 Telephone: 818-707-2600				
15 16		Facsimile: 818-707-2675 Inorthrup@nsplc.com			
17	III.	SPECIFIC ACTION OF THE REGIONAL WATER BOARD FOR WHICH STATE			
18	-	WATER BOARD REVIEW IS REQUESTED			
19		Valley Alhambra joins in the request of Leggett and Platt for review of the Section 13267			
20	Order	issued by the Regional Water Board on June 11, 2008 ("June 11 Order") to the extent set forth			
21	herein	and incorporates by reference the copy of the order attached to the Petition of Leggett and			
22	Platt a	s Exhibit A.			
23	IV.	DATE OF THE REGIONAL WATER BOARD ACTION			
24		June 11, 2008.			
25	V.	STATEMENT OF REASONS WHY THE REGIONAL WATER BOARD'S ACTION			
26		WAS INAPPROPRIATE OR IMPROPER			
27		Valley Alhambra partially joins in the Petition of Leggett and Platt for the reasons set forth			
28	below:				
20					

- 1. Investigation, remediation, and confirmation monitoring activities, as well as the data derived from these activities, evidence that current conditions of the soil and ground water at the Site do not pose a substantial risk to human health or the waters of the State;
- 2. Given the extensive work performed at the Site over the last 10 years, characterization of the Site is sufficient to understand the pre- and post-remedial conditions at the Site;
- 3. The burden, including costs of compliance, imposed by the Order does not bear a reasonable relationship to the benefits that may be obtained from the reports and investigations sought by the Order;
- 4. Investigation, remediation, and confirmation monitoring to date justifies closure of the Site without further investigation.

Valley Alhambra joins in the request of Leggett and Platt that the Petition be held in abeyance for the maximum period and reserves its right to supplement its submission if the Petition is reactivated.

However, to the extent that any portion of the Leggett & Platt Petition is based on an argument that Leggett and Platt is not a proper party or subject to the jurisdiction of the Water Board with respect to this Site and orders relating thereto, Valley Alhambra expressly declines to join in those portions of the Petition and opposes any such relief sought by Leggett and Platt in connection therewith and reserves the right to supplement its submission with additional authorities and evidence should any hearing be held thereon.

IV. STATEMENT OF GRIEVANCE OF INTERESTED PARTY

Valley Alhambra is aggrieved by the Order because: (1) Closure should have been issued when requested by Valley Alhambra on terms which had been approved by the Regional Water Board in January 2007; and (2) the June 11 Order imposes an excessive and continuing unnecessary financial burden on Valley Alhambra as the owner of the Site. See Declaration of Gary J. Herman, Sr. submitted herewith.

VII. SPECIFIC ACTION THAT INTERESTED PARTY REQUESTS THE STATE BOARD TO TAKE

Valley Alhambra requests that the June 11 Order be rescinded in its entirety on the grounds that it is beyond the scope of investigation necessary to characterize the Site for closure. The State Water Board should direct the Regional Water Board to issue a closure letter for the Site.

Valley Alhambra joins Petitioner's request that the State Water Board hold this Petition in abeyance for the maximum time period or until reactivated. Valley Alhambra reserves the right to amend its submission and to request further action if the Petition is reactivated.

To the extent that any portion of the Leggett & Platt Petition requests that the Order be rescinded only as to Leggett and Platt, that Valley Alhambra be joined or that there be a finding that Leggett and Platt is not a proper party subject to the June 11 Order or subject to the jurisdiction of the Water Board or Regional Water Board with respect to this Site and orders relating thereto, Valley Alhambra expressly declines to join in those portions of the Petition and opposes any such relief sought by Leggett and Platt in connection therewith and reserves the right to supplement its submission with additional authorities and evidence should any hearing be held thereon.

VIII. PARTIAL JOINDER IN POINTS AND AUTHORITIES SUBMITTED BY PETITIONER LEGGETT AND PLATT

Valley Alhambra joins and incorporates herein by reference the arguments and authorities contained in the Petition of Leggett and Platt in Section VIII., Parts A. (Applicable Standard of Review), C. (Data from Ground Water Sampling Reports ...Show that the Current condition of the Soil and Groundwater Does not Pose a Substantial Risk, etc.), D. (The Regional Water Board Has Not Provided Prima Facie Evidence to Show a Change in Conditions Since it Ordered the Remediation Equipment Removed and Stated the Site was Eligible for Closure, Subject to Restrictive Covenants), and E. (The Cost Associated with the Investigation Required by the Order Has No Reasonable Relationship to the Nominal Threat, etc.).

A. FAILURE TO ISSUE CLOSURE WILL RESULT IN SERIOUS FINANCIAL HARDSHIP TO VALLEY ALHAMBRA PROPERTIES DUE TO REDUCTION IN INCOME AND INABILITY TO FINANCE OR SELL ITS PROPERTY FOR FULL AND FAIR MARKET VALUE

Valley Alhambra is a partnership made up of a group of elderly property owners who have never themselves occupied or operated any business on the Site. Valley Alhambra has already suffered significant financial hardship in connection with the lengthy period that this Site has been subject to investigation and remediation, now for over ten (10) years. During that entire period, Valley Alhambra has been prevented from selling its property for a fair commercial price due to the great uncertainty created for any purchaser due to the open investigation underway by regulatory agencies. This situation has also negatively impacted the rental income which may be generated by the property due to the reluctance of substantial commercial tenants to allow their businesses to operate on a property that is subject to an open environmental investigative proceeding. The details of this past and present hardships are set forth in the Declaration of Gary Herman, a commercial real estate agent and property manager with over fifty years of experience dealing with these types of properties which is submitted herewith. Several of the owners have passed away during the lengthy period of the investigation and remediation process thus far and the remainder are elderly and some rely on the income from this property for full time nursing care. See Declaration of Gary Herman.

Given the significant and thorough investigation and remediation already conducted at the Site and the assessment of risks completed showing that future risks to public health and safety are insignificant, as outlined in detail in the Petition of Leggett and Platt and the Declaration of George Linkletter which is referred to and incorporated herein by reference, there is no justification for the June 11 Order which will substantially increase the financial hardship and uncertainty to the Valley Alhambra partners (who have never themselves occupied or operated businesses on the Site) for what are, at best, negligible additional benefits to the public health and safety.

IX. STATEMENT OF SERVICE ON REGIONAL WATER BOARD

A copy of this partial joinder has been sent to the Regional Water Board.

X. JOINDER IN REQUEST FOR PREPARATION OF RECORD, FOR EVIDENTIARY HEARING AND FOR STAY

Valley Alhambra joins in the request of Leggett and Platt for the preparation of the record in this matter by the Regional Water Board, for a Stay of the June 11 Order and for an evidentiary hearing on the matters raised in the Petition for the reasons and based on the authority stated therein to the extent joined by Valley Alhambra herein.

XI. CONCLUSION

Based on the fact that this Site has been subject to a full and complete investigation and remediation and was approved for closure by the Regional Water Board and that no new information or conditions warrant reopening of the Site and that the great financial burdens imposed by the June 11 Order far outweigh the potential benefits, if any, from the new work required thereunder, Valley Alhambra joins in the requests for relief, including a stay and evidentiary hearing, set forth in the Petition of Leggett and Platt, Inc. and incorporates the facts and legal authorities set forth therein to the extent and on the grounds set forth herein.

Dated: July 10, 2008

NORTHRUP SCHLUETER
A Professional Corporation

Attorneys for Valley Alhambra Properties

DECLARATION OF GARY HERMAN, SR.

l, Gary J. Herman, Sr. declare as follows:

- 1. I am 77 years old and am one of the remaining partners (with my 76 year old wife, Beverly) of Valley Alhambra Properties, a partnership which is the owner of real property located at 4900 Valley Boulevard, Los Angeles, California ("Site"). I have been a commercial real estate broker and property manager for over fifty years and have been extensively involved in the management, leasing, financing and sale of commercial and industrial properties similar to the Site at issue. I have personal knowledge of the facts set forth herein and could and would competently testify thereto under oath.
- 2. In 1993 when contamination was first identified at the Site, the partners in the property included Ruth Shelby and Barney and Dorothy Weingard. In 2003 at the age of 90, Ruth Shelby passed away. Her interest in the property is currently held by her son, Charles Shelby, a Catholic priest who resides in Illinois. Earlier this year, at the age of 90, Barney Weingard passed away. Although his wife, Dorothy, is a remaining partner, she suffers from severe Alzheimer's disease, was not even able to attend her husband's funeral, and depends on the income from this property to fund her required full time nursing care. My wife and I suffer from numerous age related health conditions. I recently had serious colon surgery and my wife was recently diagnosed with an inoperable aneurysm and faces additional surgery in the coming months.
- 3. I have been the person primarily responsible for managing the Site for the Valley Alhambra partnership. After Leggett & Platt shut down its facility, the property was vacant until August 1995. Since then, the following tenants have occupied the Site for the various businesses described below, none of which involve manufacturing or use of solvents or chemicals to the best of my knowledge and belief. I have visited the Site numerous times while these tenants have been in occupancy and have seen nothing on the Site inconsistent with the type of business authorized to be conducted under their respective leases as set forth below:

1995 - 1999	Apak International	Warehousing of used clothing
1999 - 2002	Los Angeles City Mission	Warehousing of used clothing
2002 - 2003	A-1 Clothing	Warehousing of used clothing

S WINDSCHOOLS ALIDAMINATES With Road Per binder and

2003 - 2007 Sasco Electric Warehousing of electrical products
2007 - present Murray Plumbing &
Heating Warehousing of plumbing products

5. In my experience, it is possible to demand and obtain higher rents from tenants with manufacturing operations or more sophisticated business operations. Warehousing is a use which generally brings in a lower quality tenant and property usable only as warehousing space has a lesser rental value than property which can be used for manufacturing operations. Over the past 13 years, I have attempted to market the Site to manufacturing tenants such as had been on the property up to the time it was vacated by Leggett and Platt. However, the fact that the site is subject to an ongoing and open investigation and remediation by the Regional Water Board has been a reason stated to me by numerous prospective manufacturing tenants that they will not consider leasing the property for their businesses as they do not want to risk being held responsible for any hazardous conditions which may exist on the property. This has in my opinion, drastically reduced the rental income that Valley Alhambra has been able to obtain for this property and this impact will continue as long as the Site remains open and the ongoing investigations continue.

6. During the lengthy period in which this Site has been under investigation and remains open, the Valley Alhambra partners have been subject to extreme financial hardship as relates to this Site. The pending remediation (now for over 15 years) and characterization of the Site as an open site has had a significant deleterious impact on the ability to obtain financing for the property, on the rental income for this property and has prevented any sale of the property for its full commercial property value.

I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed this day of July, 2008 at Los Angeles, California.

Gary J. Herman, Sr.

(PROOF OF SERVICE)

STATE OF CALIFORNIA]
·]ss
COUNTY OF LOS ANGELES]

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within proceeding; my business address is 31365 Oak Crest Drive, Suite 250, Westlake Village, California 91361.

On July 10, 2008, I served the following document(s) described as PARTIAL JOINDER OF VALLEY ALHAMBRA PROPERTIES IN PETITION FOR REVIEW PURSUANT TO WATER CODE § 13320 AND 23 C.C.R. §2050; DECLARATION OF GARY J. HERMAN, SR. IN SUPPORT THEREOF on the interested parties in this proceeding by facsimile to the numbers listed below and by placing true and correct copies thereof in a sealed envelope addressed as follows:

Mr. David Young Regional Water Quality Control Board 320 West Fourth St. Suite 200 Los Angeles, California Facsimile No. 213-576-6640	State Water Resources Control Board Office of Chief Counsel Jeannette L. Bashaw 1001 I Street 22 nd Floor Sacramento, California Facsimile No. 916-341-5199
Joan C. Donnellan, Esq. Parker, Milliken, Clark, O'Hara & Samuelian 555 So. Flower Street, 30th Floor Los Angeles, California 90071 Facsimile No. 213-683-6669 Counsel for Leggett and Platt, Inc.	

BY EXPRESS SERVICE CARRIER

I deposited in a box or other facility regularly maintained by the express service carrier in an envelope or package designated by the express service carrier with delivery fees paid or provided for, addressed to the person on whom it is to be served.

Executed on July 10, 2008, at Los Angeles, California.

STATE — I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

FEDERAL — I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

LINDA L. NORTHRUP

PARKER, MILLIKEN, CLARK, O'HARA, SAMUELIAN A PROFESSIONAL CORPORATION

JOAN C. DONNELLAN

Direct Dial: (213) 683-6638 E-mail: JDONNELLAN@PMCOS.COM

July 10, 2008

Via U.S. Mail & Facsimile [(213) 576-6640]

Attn: David Young California Regional Water Quality Control Board 320 West Fourth Street, Suite 200 Los Angeles, California 90013

Re: Re

Request For Reconsideration re Section 13267 Order

4900 Valley Alhambra Blvd Site, (SLIC No 0967, Site ID 204DJ00)

Dear Mr. Young:

On June 11, 2008, the California Regional Water Quality Control Board, Los Angeles Region ("Regional Water Board") issued a Section 13267 Order ("Order") to Leggett & Platt Incorporated ("Leggett & Platt") relating to above-referenced site. In response to the Order, Leggett & Platt has filed a Petition with the State Water Resources Control Board pursuant to Water Code Section 13320 for review of the Order. A copy of the Petition is transmitted herewith.

Leggett & Platt has filed the enclosed Petition within 30 days of the issuance of the Order on the advice of counsel in order to preserve its right to administrative review. However, Leggett & Platt desires to continue to negotiate with the Regional Water Board in good faith in relation to the above-referenced site and the Order. Thus, Leggett & Platt has requested that its Petition to the State Water Resources Control Board be held in abeyance pending further good faith discussions between Leggett & Platt, the owner of the above-referenced site (Valley Alhambra), Environ, and the Regional Water Board.

As set forth more fully in the concurrently submitted request for reconsideration from George O. Linkletter of Environ, as well as the Petition and supporting Declaration enclosed herewith, Leggett & Platt and Environ have concluded that the Order does not accurately characterize the site history. Further, Leggett & Platt and Environ contend that the Order requests additional investigation that is not necessary. Investigation, assessment, and remediation activities conducted to date, and the data derived as a result thereof, do not support the need for further investigation. Indeed, the Regional Water Board was prepared to issue closure for the site until, most recently, the Regional Water Board changed its position without explanation or reference to any new facts or changed circumstances. Moreover, the broad scope of the Order would result in unnecessary and excessive expenditures that have no reasonable relationship to current conditions at the above-reference site.

4009-700 (330437)

PARKER MILLIKEN

ATTORNEYS AT LAW

David Young July 10, 2008 Page 2

Additionally, as is also explained more fully in the enclosed Petition, the Regional Water Board has exceeded its authority in directing the Order to only Leggett & Platt. As reflected in the Regional Water Board's own files, Leggett & Platt has acted as the administrator of settlement funds used to fund the remediation of the above-referenced site pursuant to a settlement agreement between Valley Alhambra, Dresher, Inc., and Leggett & Platt. Notably, however, Leggett & Platt is not the owner of the property, there has been no finding of liability against Leggett & Platt for contamination at the site, and Leggett & Platt has not admitted any liability in entering into the settlement agreement.

Leggett & Platt does not object to being named as a recipient of the Order so long as the Order is amended to reflect the fact that Leggett & Platt's involvement is specifically limited to its role as the administrator of the settlement fund. Leggett and Platt, however, reserves the right to contest its involvement with the above-referenced site in any capacity other than as administrator of the settlement fund in any past, present, or future orders or directives from the Regional Water Board.

For these reasons, which are more fully described in the accompanying Petition and the concurrently filed request by George O. Linkletter of Environ, Leggett & Platt requests reconsideration of the Regional Water Board's June 11, 2008 Section 13267 Order.

Environ, Valley Alhambra, and my client, Leggett & Platt, look forward to an opportunity to discuss these matters with you and working with you towards reaching resolution of these issues.

Very Truly Yours,

Joan C. Donnellan

PARKER, MILLIKEN, CLARK, O'HARA & SAMUELIAN

nulller

cc:

Ms. Linda Northrup (via facsimile)

Mr. Gordon Billehimer (via facsimile)

Mr. Eddie Arslanian (via facsimile)

Mr. George Linkletter (via facsimile) Ms. Sue Hahn (via hand delivery)

ENVIRON

July 10, 2008

Via Hand Delivery & Facsimile

Mr. David Young Regional Water Quality Control Board 320 West Fourth St., Suite 200 Los Angeles, CA 90013

Re: I

Letter of Reconsideration of Order Pursuant to Water Code Section 132367

SLIC No. 0967, Site ID 204DJ00

Dear Mr. Young;

This letter is intended to a request for consideration of the "Requirements" set forth it the June 11, 2008 Letter issued pursuant to Water Code Section 13267 relating to the above referenced Site.

Counsel for Leggett & Platt Incorporated has filed a Petition with the State Water Board which incorporates my Declaration and Valley Alhambra, the owner of 4900 Valley Boulevard, Los Angeles, California has filed a partial joinder asking, in part, that the Petition be held in abeyance while the Regional Water Quality Control Board reconsiders its Order.

We believe that the Order issued on June 11, 2008 does not accurately characterize the site history and requests additional investigation which is not necessary. As stated in my declaration:

Investigation, assessment, and remediation activities conducted to date, and the data derived as a result thereof, do not support the need for further investigation for the following reasons:

- The Site is located on shallow alluvial deposits, which lie above a non-waterbearing formation. Further, borings and wells installed at the Site confirm that the water-bearing strata at the Site are locally non-contiguous and that there is relatively little water present. In light of these data, contamination detected in shallow ground water beneath the Site does not pose a threat to aquifers that may be present down valley to the west of the Site, and there is no underlying aquifer.
- There are no public supply or privately owned wells within a one-mile radius of the Site.
- Ground water testing between 2001 and 2003 demonstrated that tetrachloroethylene (PCE) levels in the ground water beneath the Site were reduced by orders of magnitude (e.g., from a peak of 4,800 micrograms per liter (μg/l) to 26 μg/l at MW2, which is located immediately adjacent to the source area at the Site) as a result of Regional Water Board approved remediation at the Site.
- Investigations relating to historic operations at the Site are inconclusive regarding the cause of the PCE contamination at the Site, but clearly defined the source area. Given the results of the assessment, investigation, and remediation at the Site, it appears that source contamination at the Site has been sufficiently

remediated and remaining materials do not pose a substantial risk to human health or the environment.

- 2 -

- Data collected from monitoring wells and soil borings along the western property line of the Site (as well as other data points located downgradient from the source area), when compared to substantially higher contamination levels in the source area on the Site and within the context of the hydrostratigraphy at the Site, indicate only limited migration of contaminants away from the source area. (This is referred to in Exhibit A to this letter and the Del Mar Analytical Report Attached to the Declaration.) The analytical results from the deepest samples from soil borings along the western property boundary were judged reflective of ground water conditions and demonstrated only low or non-detectable concentrations of contaminants in that area prior to the startup of the remediation system.
- The radius of influence of the remediation system that operated at the Site, which include an extraction well immediately adjacent to the Site's western property line, indicate that the remedial process also addressed adjacent contamination which may have migrated to the downgradient property.
- ENVIRON prepared a "Risk Assessment of Potential Migration of Volatile Organic Compounds to Indoor Air," dated November 28, 2005, which concluded that the "cumulative cancer risks are no higher than 1 X 10⁻⁵ (mostly attributed to PCE) and recommended that the Regional Water Board provide a "No Further Action" designation for "unrestricted use for the site." In its April 17, 2006 memorandum addressed to the Regional Water Board, the Office of Environmental Health Hazard Assessment (OEHHA) stated that it agreed with ENVIRON's conclusions regarding the risk assessment.
- It has been our understanding that, with the possible exception of requiring some additional soil gas work, the Regional Water Board had previously determined that the Site is suitable for closure. To my knowledge, the Regional Water Board has no new information or data to suggest a change from the empirical results that the Regional Board relied on to authorize the removal of the remediation equipment in preparation to formally close the Site, and thus to justify the demand for additional investigation of VOC's at the Site.
- Remaining contamination at and beneath the Site should dissipate without further active remediation and there is no evidence to suggest that it will pose a significant risk to human health or the environment.

We have advised both Valley Alhambra and Leggett & Platt that the cost of additional investigation would require the development of a new scope of work for off-site investigation, installation of ground water wells, monitoring costs, additional reporting and related work could easily exceed \$250,000, as referenced in my July 10, 2008 declaration. To date, ENVIRON has spent approximately \$913,000 in the site characterization, remediation, and follow up consultation and reports to secure a closure. This does not take into consideration the costs incurred by RMT on behalf of Dresher Inc. or CLT Environmental on behalf of Valley Alhambra. To date, I estimate, based on our records and the information provided in connection with the RMT investigation and remediation and the CLT investigation, that over one million dollars has been spent to characterize and remediate the Site.

As set forth in my July 10, 2008 declaration, the information regarding the use history of the Site and data from investigations by other consultants, ENVIRON's investigations, the ground water sampling data submitted to the Regional Water Board after the completion of the remediation at the Site, and the results of ENVIRON's human health risk assessment strongly suggest that there is a low probability of significant off-site contamination migrating from the Site that would present an unacceptable risk to human health.

Given the extensive work performed at the Site over the last 10 years, characterization of the Site is sufficient to understand the pre- and post-remedial conditions at the Site.

The Regional Water Board's June 11, 2008 Order to commence a new investigation would result in excessive costs that will not yield corresponding benefits to public health and safety, especially given that the Regional Water Board's Order does not clearly define the objectives of the additional testing.

We are prepared to provide you with additional information or meet with the Board to discuss our position including providing any information or analysis from our existing records or Regional Board records to obtain closure.

Very truly yours,

George O. Linkletter, PhD

Principal and Senior Vice President

GOL:is

Q:\A\Alhambra\Correspondence\Letter of Reconsideration 071008_final.doc

CC.

Linda Northrup, Northrup Schlueter Gary Herman, S. D. Herman Co., Inc.

Eddie Arslanian, ENVIRON Su Han, RWQCB – LA Region

Joan Donnellan, Parker Milliken Clark O'Hara & Samuelian

Gordon Billheimer, Leggett & Platt



Linda S. Adams

Secretary for

Environmental Protection

State

ater Resources Cont. . Board

Office of Chief Counsel

1001 I Street, 22nd Floor, Sacramento, California 95814 P.O. Box 100, Sacramento, California 95812-0100 (916) 341-5161 + FAX (916) 341-5199 + http://www.waterboards.ca.gov



July 14, 2008

Linda L. Northrup, Esq. Northrup Schlueter 31365 Oak Crest Drive, Suite 250 Westlake Village, CA 91361 Inorthrup@nspic.com

Dear Ms. Northrup:

PETITION OF VALLEY-ALHAMBRA PROPERTIES (WATER CODE SECTION 13267 LETTER DATED JUNE 11, 2008, REQUIRING SUBMITTAL OF A WORK PLAN FOR 4900 VALLEY BOULEVARD, LOS ANGELES, LOS ANGELES COUNTY), LOS ANGELES WATER BOARD: ACKNOWLEDGMENT OF PETITION RECEIVED AND APPROVAL OF REQUEST TO BE HELD IN ABEYANCE

SWRCB/OCC FILE A-1936(a)

This will acknowledge receipt of the above petition on July 10, 2008. You have asked that the State Water Resources Control Board (State Water Board) hold the matter in abeyance for an unspecified period of time. We are happy to do so in hopes that the matter may be worked out between you and the Regional Water Quality Control Board (Regional Water Board). We will hold the matter in abeyance for two years from the date the petition was filed. If, by that time, no resolution of the matter has taken place or the matter has not become the subject of an active dispute, you may either request that the abeyance period be extend for another twoyear period, or the petition will be dismissed.

If you have any questions, please call me at (916) 341-5175.

IN ALL FUTURE CORRESPONDENCE, PLEASE REFER TO SWRCB/OCC FILE A-1936(a)

Sincerely,

Elizabeth Miller Jennings

Staff Counsel IV

cc: See next page

cc:—Mr. Ĝary J. Herman, Sr. 1201 S. Olive Street Los Angeles, CA 90015 garysr@sdherman.com

Joan C. Donnellan, Esq.
Parker, Milliken, Clark,
O'Hara & Samuelian
555 S. Flower Street, 30th Floor
Los Angeles, CA 90071-2440
jdonnellan@pmcos.com

Mr. Robert Anderson Leggett & Platt, Incorporated Number 1 Leggett Road P.O. Box 757 Carthage, MO 64836-0757

Ms. Tracy Egoscue [via email only]
Executive Officer
Los Angeles Regional Water Quality
Control Board
320 West 4th Street, Suite 200
Los Angeles, CA 90013

Mr. David Bacharowski [via email only]
Assistant Executive Officer
Los Angeles Regional Water Quality
Control Board
320 West 4th Street, Suite 200
Los Angeles, CA 90013

Ms. Deborah Smith **[via email only]**Assistant Executive Officer
Los Angeles Regional Water Quality
Control Board
320 West 4th Street, Suite 200
Los Angeles, CA 90013

Mr. David Young [via email only]
Engineering Geologist
Los Angeles Regional Water Quality
Control Board
320 West 4th Street, Suite 200
Los Angeles, CA 90013

Michael J. Levy, Esq. **[via email only]**Office of Chief Counsel
State Water Resources Control Board
1001 I Street, 22nd Floor [95814]
P.O. Box 100
Sacramento, CA 95812-0100

Jennifer L. Fordyce, Esq. **[via email only]**Office of Chief Counsel
State Water Resources Control Board
1001 I Street, 22nd Floor [95814]
P.O. Box 100
Sacramento, CA 95812-0100

Jeffery M. Ogata, Esq. [via email only]
Office of Chief Counsel
State Water Resources Control Board
1001 I Street, 22nd Floor [95814]
P.O. Box 100
Sacramento, CA 95812-0100

Elizabeth Miller Jennings, Esq. [via email only]
Office of Chief Counsel
State Water Resources Control Board
1001 I Street, 22nd Floor [95814]
P.O. Box 100
Sacramento, CA 95812-0100



Linda S. Adams Secretary for Environmental Protection

State \ ... ter Resources Contr. Board

Office of Chief Counsel

1001 I Street, 22nd Floor, Sacramento, California 95814
P.O. Box 100, Sacramento, California 95812-0100
(916) 341-5161 FAX (916) 341-5199 http://www.waterboards.ca.gov



July 14, 2008

FILE

Joan C. Donnellan, Esq.
Parker, Milliken, Clark, O'Hara & Samuelian
555 S. Flower Street, 30th Floor
Los Angeles, CA 90071-2440
idonnellan@pmcos.com

Dear Ms. Donnellan:

PETITION OF LEGGETT & PLANT, INCORPORATED (WATER CODE SECTION 13267 LETTER DATED JUNE 11, 2008, REQUIRING SUBMITTAL OF A WORK PLAN FOR 4900 VALLEY BOULEVARD, LOS ANGELES, LOS ANGELES COUNTY), LOS ANGELES WATER BOARD: ACKNOWLEDGMENT OF PETITION RECEIVED AND APPROVAL OF REQUEST TO BE HELD IN ABEYANCE SWRCB/OCC FILE A-1936

This will acknowledge receipt of the above petition on July 10, 2008. You have asked that the State Water Resources Control Board (State Water Board) hold the matter in abeyance for an unspecified period of time. We are happy to do so in hopes that the matter may be worked out between you and the Regional Water Quality Control Board (Regional Water Board). We will hold the matter in abeyance for two years from the date the petition was filed. If, by that time, no resolution of the matter has taken place or the matter has not become the subject of an active dispute, you may either request that the abeyance period be extend for another two-year period, or the petition will be dismissed.

If you have any questions, please call me at (916) 341-5175.

IN ALL FUTURE CORRESPONDENCE, PLEASE REFER TO SWRCB/OCC FILE A-1936

Sincerely,

Elizabeth Miller Jennings

Staff Counsel IV

cc. See next page

California Environmental Protection Agency

Mr. Robert Anderson CC: Leggett & Platt, Incorporated Number 1 Leggett Road P.O. Box 757 Carthage, MO 64836-0757

> Linda L. Northrup, Esq. Northrup Schlueter 31365 Oak Crest Drive, Suite 250 Westlake Village, CA 91361 Inorthrup@nsplc.com

Mr. Gary J. Herman, Sr. 1201 S. Olive Street Los Angeles, CA 90015 garysr@sdherman.com

Ms. Tracy Egoscue [via email only] **Executive Officer** Los Angeles Regional Water Quality Control Board 320 West 4th Street, Suite 200 Los Angeles, CA 90013

Mr. David Bacharowski [via email only] Assistant Executive Officer Los Angeles Regional Water Quality Control Board 320 West 4th Street, Suite 200 Los Angeles, CA 90013

Ms. Deborah Smith [via email only] Assistant Executive Officer Los Angeles Regional Water Quality Control Board 320 West 4th Street, Suite 200 Los Angeles, CA 90013

Mr. David Young [via email only] **Engineering Geologist** Los Angeles Regional Water Quality Control Board 320 West 4th Street, Suite 200 Los Angeles, CA 90013

Michael J. Levy, Esq. [via email only] Office of Chief Counsel State Water Resources Control Board 1001 I Street, 22nd Floor [95814] P.O. Box 100 Sacramento, CA 95812-0100

Jennifer L. Fordyce, Esq. [via email only] Office of Chief Counsel State Water Resources Control Board 1001 | Street, 22nd Floor [95814] P.O. Box 100 Sacramento, CA 95812-0100

Jeffery M. Ogata, Esq. [via email only] Office of Chief Counsel State Water Resources Control Board 1001 | Street, 22nd Floor [95814] P.O. Box 100 Sacramento, CA 95812-0100

Elizabeth Miller Jennings, Esq. [via email only] Office of Chief Counsel State Water Resources Control Board 1001 | Street, 22nd Floor [95814] P.O. Box 100 Sacramento, CA 95812-0100

PARKER, MILLIKEN, CLARK, O'HARA, SAMUELIAN
A PROFESSIONAL CORPORATION

JOAN C. DONNELLAN

Direct Dial: (213) 683-6638 E-mail: JDONNELLAN@PMCOS.COM

November 17, 2008

VIA HAND DELIVERY

Attn: David Bacharowski
CALIFORNIA REGIONAL WATER
QUALITY CONTROL BOARD
320 West Fourth Street, Suite 200
Los Angeles, California 90013

Re:

Request For Reconsideration re: Section 13267 Order

4900 Valley Alhambra Blvd Site (SLIC No 0967, Site ID 204DJ00)

Dear Mr. Bacharowksi:

On June 11, 2008, the California Regional Water Quality Control Board, Los Angeles Region ("Regional Water Board") issued a Section 13267 Order ("Order") relating to above-referenced site. In response to the Order, Leggett & Platt Incorporated ("Leggett & Platt") filed a Petition with the State Water Resources Control Board pursuant to Water Code Section 13320 for review of the Order as well as a Request for Reconsideration concurrently filed with the Regional Water Board.

The State Water Resources Control Board issued an Order holding the Petition in Abeyance pending negotiations with the Regional Water Board. On October 14, 2008, Leggett & Platt, represented by Parker Milliken; Valley Alhambra Properties, represented by Linda Northrup; and the parties' consultant ENVIRON, represented by Dr. George Linkletter and Eddy Arslanian meet with you, Su Han, David Young, and Arthur Heath to discuss the Declaration of Dr. Linkletter in support of the Petition and the Request for Reconsideration.

After an extensive discussion, you agreed to approve a proposal for a soil gas investigation of the site located at 4900 Valley Boulevard ("On-Site Investigation") and an offsite groundwater investigation on the adjacent property ("Off-Site Investigation") now owned by Mirror Image, Inc. ("Mirror Image, Inc. Site").

PARKER MILLIKEN

ATTORNEYS AT LAW

Mr. David Bacharowski California Regional Water Quality Control Board November 17, 2008 Page 2

Submitted with this letter is the proposal for both an On-site Investigation and Off-site Investigation prepared by Environ in response to the October 14, 2008 meeting. ("ENVIRON Proposal").

Given the extraordinary delays acknowledged by the Regional Water Board, this letter confirms that the Regional Water Board agreed to give priority to the approval of the ENVIRON Proposal, the evaluation of the results of the investigation set forth in the ENVIRON Proposal and issuance of a No Further Action designation for the Site. We also understand that the Regional Water Board is willing to issue a No Further Action designation as to the soils issues separately if evidence presented supports such issuance.

Valley Alhambra will coordinate with ENVIRON to seek access to the Mirror Image Site to conduct the Offsite Investigation consistent with the ENVIRON Proposal. In the event that Mirror Image, Inc. refuses sufficient access to conduct the Offsite Investigation, the Regional Water Board agreed to take immediate legal or administrative action against Mirror Image, Inc. ordering Mirror Image, Inc. to conduct or cooperate with ENVIRON to conduct the Offsite Investigation.

The ENVIRON Proposal, any documentation, reports or information submitted in connection with the ENVIRON Proposal and any investigation or remediation activities do not constitute an admission of liability by Leggett & Platt or Valley Alhambra or a wavier of Leggett & Platt's or Valley Alhambra's objections to the Order as set forth in Leggett & Platt's Petition or Valley Alhambra's joinder to the Petition, the Request for Reconsideration, or Parker Milliken's letter submitted to the Regional Water Board on July 10, 2008. Further, neither this letter nor the submission of the enclosed ENVIRON Proposal should be interpreted as a waiver of Leggett & Platt's or Valley Alhambra's right to reinstate the Petition, which is currently held in abeyance by the State Water Resources Control Board.

ENVIRON is prepared to commence testing within two weeks of approval the ENVIRON proposal. We request your response no later than November 25, 2008.

Very truly yours,

Joan C. Donnellan

PARKER, MILLIKEN, CLARK, O'HARA & SAMUELIAN

JCD/da Enclosures