



October 16, 2007

State of California
Board of Equalization
450 N Street
Sacramento, California 94279

Document No. 20710005.1

Regarding: Records/Document Inspection and Retrieval Project
22nd, 23rd, 24th Floors and Other Designated Locations

The State of California Board of Equalization (BOE) is the tenant in a building owned and maintained by the Department of General Services (DGS). The BOE retained a panel of consultants to assist in the assessment of the building located at 450 N Street in Sacramento, California.

BACKGROUND FACTS

On approximately September 24, 2007, the DGS moved modular furniture away from walls in a vacant 23rd floor workspace, for purpose of repainting. BOE management, while following up on the progress made, noted some discoloration and potential water damage on an external wall and notified DGS. In response, DGS inspected the area and opened up portions of the wall for a visual inspection. DGS continued with a similar process on portions of the 22nd floor, which is immediately below the balcony. DGS did not use any containment measures before it cut opened portions of the walls.

During the wall cavity inspections, potential fungal growth was observed on and in between layers of drywall in the exterior walls on the 23rd floor and some areas on the 22nd floor. Testing of the surface samples confirmed the presence of fungal growth on portions of the drywall. On September 27, 2007, BOE Management closed the south side of the 23rd floor and the 22nd floor, pending a complete assessment to identify the nature and scope of the fungal growth and to locate the source of moisture giving rise to it.

Some staff were initially moved to the 24th floor and others were placed elsewhere.

On October 4, 2007, a similar visual examination was begun on the 24th floor, which led to the identification of potential fungal growth on a portion of a single ceiling tile above the 24th floor. Testing confirmed the presence of fungal growth. The 24th floor was also closed for the reasons set forth above.

DGS conducted daily air sampling on the closed floors and throughout the building.

As a result of the floor closures, more than 200 employees, Board Members and their staff have been relocated. Some remained in the HQ building and 114 members of the legal staff have been relocated to



the Franchise Tax Board offices. During the initial relocation efforts employees and others expressed concerns that the files and materials being brought from the closed floors may be contaminated with fungal materials. BOE asked its consultants to assess the condition of the files to address the concerns of its staff and hosts at other locations.

As part of the initial building evaluation, Stephen Munday, MD, a medical consultant, and industrial hygienists evaluated the air testing data from testing performed by DGS and its consultants and inspected the closed floors and determined that there is no evidence of gross contamination of building contents with fungal materials.

The BOE, however, requested measures be taken to address the concerns of its employees.

PLAN

As an added layer of caution, each group of records/documents will be individually inspected by Hygiene Technologies International, Inc. (HygieneTech) industrial hygienists familiar with moisture and fungal contamination and only released for use after a determination has been made that there is no evidence of contamination. There are no regulatory or health standards for moisture or fungal levels in indoor environments; however, many government agencies and scientific organizations have provided guidance for use in these circumstances, such as the United States Environmental Protection Agency (U.S. EPA), American Conference of Governmental Industrial Hygienists (ACGIH), and New York City Department of Health and Mental Hygiene (NYC DOHMH). This project of records/document inspection was developed based on these guidelines.

PROTOCOL FOR INSPECTION

The following procedures are to be followed for the purpose of inspecting and relocating all relevant records/documents from the 22nd, 23rd, 24th floors and other designated locations from within the BOE building located at 450 N Street in Sacramento, California.

- 1) All records/documents shall be visually inspected to ensure that there is no evidence of visible water staining/damage, excess dust, fungal growth, and/or odors commonly associated with fungal growth.
- 2) All records/documents currently stored in boxes shall be removed from said boxes and inspected per Step 1. If such records/documents showed no evidence of the criteria set forth in Step 1, they will be placed into new boxes provided by BOE.
- 3) All records/documents currently on desks/cubicles/open shelves or otherwise uncovered shall be inspected per Step 1. If such records/documents showed no evidence of the criteria set forth in Step 1, they will be placed into new boxes provided by BOE.
- 4) All records/documents currently stored in file cabinets/enclosed shelving shall be inspected per Step 1. If such records/documents showed no evidence of the criteria set forth in Step 1, they will be placed into new boxes provided by BOE.
- 5) All boxes containing records/documents approved for removal from these two floors shall each have an Inspection Checklist attached. Each Checklist shall be signed by the Industrial Hygienist responsible along with the date and time the box was inspected.



- 6) Once the approved boxes have been sealed, they shall be brought to the freight elevator by an approved third party contractor, which will then be received by BOE representative for distribution to the appropriate parties.
- 7) All records/documents/other items that were previously taken from these three floors and out of the building shall be brought to a central location in the building to be inspected using the same criteria. All other records/documents that were previously taken to other floors within the building shall be identified and remain at those locations to be inspected in place.
- 8) All records/documents that do not satisfy any or all of the criteria set forth shall be removed and placed in a temporary location on each floor. Actions to be taken in regards to these records/documents are to be determined.
- 9) All such work is to be performed by or under the direction of an American Board of Industrial Hygiene (ABIH) Certified Industrial Hygienist (CIH).
- 10) Please note that all records/documents/other items that were previously removed from these three floors prior to the destructive testing that reportedly occurred on or about September 26-27, 2007 will not need to be inspected.

Note that all documents shall be deemed in acceptable condition if they are free from obvious evidence of fungal growth; to wit, free from visible water stains or related damage, free from excessive dust, free from any signs of fungal growth, and free from odors commonly associated with fungal growth. Be advised that all documents and, in fact, all surfaces within the subject building will be expected to have normal deposits of common environmental mold spores.

Work pursuant to this protocol commenced on Friday, October 12, 2007 and will continue until completed.

HYGIENE TECHNOLOGIES INTERNATIONAL, INC.

Kenny K. Hsi, CIH
Technical Director

Brian P. Daly, CIH, PE
President