



Environment

Prepared for:
LANWest Solar Farm LLC
San Diego, California

Prepared by:
AECOM
Camarillo, California
60212653
January 2012

Phase I Environmental Site Assessment of Approximately 60 Acres of Land Located North of Old Highway 80 and West of McCain Valley Road, San Diego County, California





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Executive Summary

LANWest Solar Farm LLC (“LANWest” or “Client”) contracted with AECOM to perform a Phase I Environmental Site Assessment (ESA) on approximately 60 acres of agricultural land in San Diego County, California. The subject property is bound to the south by Old Highway 80 and to the north by Interstate 8 (the “Subject Property”). According to information obtained from LANWest, the Subject Property consists of the western areas of two contiguous assessor’s parcels with APNs: 612-091-13-00 and 612-030-18-00. This Phase I ESA was performed in general conformance with the scope and limitations of ASTM Practice Designation E 1527-05 for ESAs. Exceptions to, or deletions from, this practice are described in this report.

The Subject Property is used by cattle and horses as grazing land. The remnants of what appeared to be a former onsite residence (a chimney) is located in the central portion of the Subject Property, southwest of the unpaved access road, and approximately ½ mile west of McCain Valley Road. An apparent stormwater catch basin is located east of the former residence in the southern portion of the Subject Property. With the exception of the chimney and stormwater catch basin, no other structures were observed on the Subject Property. During the site visit, no visual evidence of water wells, monitoring wells, dry wells, clarifiers, or septic systems was observed on the Subject Property. Visual evidence of discolored soil, water, or unusual vegetative conditions or odors was not observed during the site visit.

Historical research indicates that from at least 1953 (earliest historical source), the Subject Property was developed similarly, with its existing uses, as agricultural land. No historical onsite or offsite sources of concern were identified during this assessment.

The Subject Property is bound to the north by Interstate 8, beyond which is predominately vacant land; to the west by vacant land and a residential property (40760 Old Highway 80). The Subject Property is bordered to the south by a leased cabin/office (2170 McCain Valley Road), a residential property (41148 Old Highway Road) and Old Highway 80, beyond which is Caltrans Maintenance Yard (40945 Old Highway 80) and a 12.47kV switchyard. The Subject Property is bordered to the east by land comprising the balance of the same assessor’s parcels, which have the same ownership and by residences at 2167 McCain Valley Road and 2135 McCain Valley Road. AECOM did not observe gasoline service stations or dry cleaners in the immediate vicinity (e.g., 500 feet) of the Subject Property. No offsite sources of concern were identified during the course of this assessment.

Based on the above-described activities, no recognized environmental conditions (RECs), historic RECs or de minimis conditions were identified in connection with the Subject Property. No additional assessment is recommended.

1.0 Introduction

1.1 Purpose

This Phase I Environmental Site Assessment (ESA) was performed pursuant to the work order between AECOM's and the Client dated September 29, 2011 (the "Work Order"). This assessment was performed in advance of a potential real estate transaction involving the Subject Property. The purpose of this Phase I ESA is to provide the client with information for use in evaluating recognized environmental conditions (RECs) associated with the Subject Property.

A REC is defined by the ASTM as "The presence of or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products even under conditions in compliance with laws. The term is not intended to include de minimis conditions that generally do not present a material risk to public health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate government agencies." This assessment is based on a review of existing conditions, reported pre-existing conditions, and observed operations at the Subject Property and adjacent properties.

1.2 Scope of Work

The Phase I ESA included a site visit, regulatory research, historical review, and environmental database analysis of the Subject Property. In conducting the Phase I ESA, AECOM assessed the Subject Property for visible signs of possible contamination, researched public records about the Subject Property, and conducted interviews with representatives of regulatory agencies and the current owner/operator.

This ESA was performed in general accordance with ASTM Standard Practice Designation E 1527-05 and the Work Order. Conclusions reached in this report are based upon the assessment performed and are subject to limitations set forth in Sections 1.3, 1.4, and 1.5 below.

1.3 Study Limitations

This report describes the results of AECOM's Phase I ESA to identify the presence of contamination-related liabilities materially affecting the Subject Property. In the conduct of this assessment, AECOM assessed the presence of such problems within the limits of the established scope of work as described in the Work Order.

As with any due diligence assessment, there is a certain degree of dependence upon oral information provided by facility or site representatives, which is not readily verifiable through visual observations or supported by any available written documentation. AECOM shall not be held responsible for conditions or consequences arising from relevant facts that were concealed, withheld, or not fully disclosed by facility or site representatives at the time this assessment was performed. In addition, the findings in this report are subject to certain conditions and assumptions, which are noted in the report. Any party reviewing the findings of the report must carefully review and consider all such conditions and assumptions.

This report and all field data and notes were gathered and/or prepared by AECOM in accordance with the agreed upon scope of work and generally accepted engineering and scientific practice in effect at the time of AECOM's assessment of the Subject Property. The statements, conclusions, and opinions contained in this report are only intended to give approximations of the environmental conditions at the Subject Property.

As specified in the ASTM standard (referred to below as "This Practice"), it is incumbent that the client and any other parties who review and rely upon this report understand the following inherent conditions surrounding any Phase I ESA:

- **Uncertainty Not Eliminated** – No ESA can wholly eliminate uncertainty regarding the potential for REC in connection with a property. Performance of this practice is intended to reduce, but not eliminate, uncertainty regarding the potential for REC in connection with a property, and This Practice recognizes reasonable limits of time and costs. (Section 4.5.1 of the ASTM standard)
- **Not Exhaustive** – "All appropriate inquiry" does not mean an exhaustive assessment of a clean property. There is a point at which the cost of information obtained outweighs the usefulness of the information and, in fact, may be a material detriment to the orderly completion of transactions. One of the purposes of this practice is to identify a balance between the competing goals of limiting the costs and time demands inherent in performing an ESA and the reduction of uncertainty about unknown conditions resulting from additional information. (Section 4.5.2 of the ASTM Standard)
- **Comparison with Subsequent Inquiry** – It should not be concluded or assumed that an inquiry was not an "all appropriate inquiry" merely because the inquiry did not identify RECs in connection with a property. ESAs must be evaluated based on the reasonableness of judgments made at the time and under the circumstances in which they were made. Subsequent ESAs should not be considered valid standards to judge the appropriateness of any prior assessment based on hindsight, new information, use of developing technology or analytical techniques, or other factors (Section 4.5.4 of the ASTM Standard).

This report was prepared pursuant to an agreement between the Client and AECOM and is for the exclusive use of the Client. No other party is entitled to rely on the conclusions, observations, specifications, or data contained herein without first obtaining the Client's written consent. The passage of time may result in changes in technology, economic conditions, site variations, or regulatory provisions, which would render the report inaccurate. Reliance on this report after the date of issuance as an accurate representation of current site conditions shall be at the user's sole risk.

1.4 Site-Related Limiting Conditions

The following site-specific limitations were encountered during the course of this assessment:

- Due to the size of the Subject Property, it was not possible to traverse all areas of the Subject Property during the site reconnaissance. The site visit methodology consisted of driving the south, east, and north perimeters of the Subject Property (bound to the south by Old Highway 80, to the east by McCain Valley Road, and to the north by Interstate 8, respectively), driving the unpaved access road traversing through the central portion of the Subject Property, and walking interior portions of the Subject Property, observing possible storage areas, infrastructure, or buildings, and portions of the surrounding area. During the site visit, AECOM

was met on-site by Mr. Gordan Dawson, ranch manager for the Subject Property. Mr. Dawson provided information on the historical and current uses of the Subject Property. Based on information obtained from Mr. Dawson about the historical and current uses of the Subject Property prior to AECOM's site visit of the Subject Property, this site-specific limitation is not expected to affect the results of this assessment.

1.5 Data Gaps/Data Failure

The following data failure/data gaps were encountered during the course of this assessment:

- An environmental lien search was not conducted as part of this ESA. However, AECOM was provided with a preliminary title report by First American Title Company dated as of November 4, 2010. According to AECOM's review of the report, no environmental liens were identified in association with the Subject Property. In addition, the user did not identify any liens associated with the Subject Property.
- A limitation was encountered in determining the historical use of the Subject Property. The earliest source of historical information ascertained, and from which usage could be determined, was an aerial photograph dated 1953. At the time of the photograph, the Subject Property use appeared to be similar to its present land uses, which is predominantly rural residential/ agricultural land. Therefore, the ASTM E1527 requirement to determine all obvious uses of the property from the present back to the property's first obvious developed use, or back to 1940, whichever is earlier, could not be unequivocally achieved. However, based upon the identified use (rural residential/ agricultural land); it is unlikely that there had been significant prior development; therefore, this limitation does not represent a data failure and as a result does not affect the results of this assessment.
- Per ASTM, interviews of past owners, operators, and occupants of the Subject Property, who are likely to have material information regarding the potential for contamination at the Subject Property, shall be conducted to the extent that they can be identified and that the information likely to be obtained is not duplicative of information already obtained from other sources. AECOM obtained historical information about the Subject Property from the current site contact(s), and sources listed in Section 9. Based on the information obtained, the data gap between the data sources and all past owners, occupants, and occupants of the Subject Property does not represent a data failure and as a result does not affect the results of this assessment.

2.0 Site Description

2.1 Site Location and Parcel Description

The Subject Property consists of approximately 60 acres of agricultural land in San Diego County, California. In general, the Subject Property is bound to the south by Old Highway 80 and to the north by Interstate 8. The Subject Property is approximately ½-mile west of McCain Valley Road and is bordered to the east by vacant land and a residential property (40760 Old Highway 80). The approximate location of the Subject Property is illustrated on Figure 1 - Site Location Map.

According to information obtained from the Client, the Subject Property consists of the western areas of each of two contiguous assessor's parcels with APNs: 612-091-13-00 and 612-030-18-00

2.2 Site Ownership

According to the San Diego County Assessor, the Subject Property parcels (APNs: 612-091-13-00 and 612-030-18-00) are owned by Landsing Industries Inc. of 5415 Overland Drive, San Diego, California 92121.

2.3 Site Visit

Ms. Kirsten Bradford with AECOM's Camarillo, California and Ms. Sheryll Del Rosario with AECOM's San Diego, California office visited the Subject Property on October 17, 2011. During the site visit, Ms. Bradford and Ms. Del Rosario were met onsite by Mr. Gordan Dawson, ranch manager for the Subject Property. Mr. Dawson provided information on the historical and current uses of the Subject Property.

The site visit methodology consisted of driving the south, east, and north perimeters of the Subject Property (bound to the south by Old Highway 80, to the east by McCain Valley Road, and to the north by Interstate 8, respectively), driving the unpaved access road traversing through the central portion of the Subject Property, and walking interior portions of the Subject Property, observing possible storage areas, infrastructure, or buildings, and portions of the surrounding area. The following sections summarize the results of the site visit.

2.3.1 Site and Facility Description

The Subject Property consists of approximately 60 acres of agricultural land. At the time of the site visit, the Subject Property was used by cattle and horses as grazing land.

The Subject Property is generally flat in the central and southwestern low-lying areas and hilly in the northern portion. Remnants of a chimney were located in the central portion of the Subject Property, southwest of the unpaved access road, and approximately ½ mile west of McCain Valley Road. An apparent stormwater catch basin was also located east of the chimney, also located in the southern portion of the Subject Property, south of the unpaved access road, and approximately ½ mile west of McCain Valley Road.

During the site visit, no visual evidence of water wells, monitoring wells, dry wells, clarifiers, or septic systems was observed on the Subject Property. Visual evidence of discolored soil, water, or unusual vegetative conditions or odors was not observed during the site visit. The general layout of the Subject Property is illustrated on Figure 2 - Site Plan and Representative Site Photographs are provided in Appendix A.

2.3.2 Surrounding Properties

The Subject Property is bound to the north by Interstate 8, beyond which is predominately vacant land; to the west by vacant land and a residential property (40760 Old Highway 80); to the south by Old Highway 80; and to the east by the balance of the same assessor's parcels. Adjacent uses to the south include a leased cabin/office (2170 McCain Valley Road), a residential property (41148 Old Highway Road) and, beyond Old Highway 80, a Caltrans Maintenance Yard (40945 Old Highway 80) (see Section 5.4.2) and a 12.47kV switchyard; and to the east by residential/ agricultural land (2167 McCain Valley Road and 2135 McCain Valley Road, respectively).

AECOM did not observe gasoline service stations or dry cleaners in the immediate vicinity (e.g., 500 feet) of the Subject Property. In addition, no sensitive receptors (i.e. day care centers, schools, hospitals, water bodies) were identified adjacent to or in the immediate vicinity of the Subject Property. Based on AECOM site reconnaissance of the surrounding area, no off-site sources of concern were identified.

2.3.3 Petroleum Products and Hazardous Materials

No petroleum products or hazardous materials were observed at the Subject Property during AECOM's site visit, or reported by Mr. Dawson to be stored at the Subject Property.

2.3.4 Polychlorinated Biphenyls

Polychlorinated biphenyls (PCB)-containing dielectric fluids have been widely used as coolants and lubricants in transformers, capacitors, and other electric equipment due to their insulating and nonflammable properties.

During the site visit, several utility-owned pole-mounted transformers were observed throughout the surrounding area. The transformers are owned by, and are the responsibility of, San Diego Gas and Electric (SDG&E). No markings were observed on the transformers indicating PCB content; however, no oil staining was observed at the base of the transformer units or around the base of the poles. Additionally, AECOM understands that releases or staining issues (if any) would be the responsibility of the utility owner (SDG&E).

No other hydraulic equipment (e.g., pad-mounted transformers, trash compactors, lifts) was observed on the Subject Property, or reported by Mr. Dawson to be located at the Subject Property.

2.3.5 Aboveground Storage Tanks ("ASTs")

No ASTs were observed during AECOM's site visit or reported by Mr. Dawson to be located at the Subject Property. In addition, no ASTs were listed for the Subject Property in the site-specific environmental database report reviewed by AECOM.

2.3.6 Underground Storage Tanks ("USTs")

No visual evidence of USTs (e.g., vent pipes, fill ports) was observed during the site visit, or reported by Mr. Dawson to be located at the Subject Property. In addition, no USTs were listed for the Subject Property in the site-specific environmental database report reviewed by AECOM.

2.3.7 Solid Waste

No trash cans, dumpsters, or disposal areas were observed by AECOM during the site visit. No evidence of inappropriate disposal activities and no significant staining were observed by AECOM during the site visit.

2.3.8 Hazardous Waste

No evidence of hazardous waste storage or generation was observed at the Subject Property, or reported by Mr. Dawson to be generated at the Subject Property.

2.3.9 Water

No water wells were observed at the Subject Property, or were reported by Mr. Dawson to be located at the Subject Property. According to Mr. Dawson, three water wells are located in the area of the Subject Property, one located adjacent to the south of the Subject Property (adjacent to the south of the access road), one in association with the leased cabin/office (2170 McCain Valley Road), and one in association with the residential property (2167 McCain Valley Road).

2.3.10 Wastewater

No septic systems were observed at the Subject Property, or were reported by Mr. Dawson to be located at the Subject Property.

2.3.11 Stormwater

Based on AECOM's site visit observations, stormwater from the Subject Property appears to infiltrate into site soils or drain via sheet flow to the low-lying central portions of the Subject Property. The Subject Property is not connected to a municipal stormwater sewer system.

2.3.12 Heating and Cooling

According to Mr. Dawson, no heating oil tanks are known to have been historically or currently located at the Subject Property.

3.0 Environmental Setting

3.1 Topography

According to the United States Geological Survey topographic map of the Subject Property area (Campo and Live Oaks Springs quadrangles) the elevation of the Subject Property ranges from approximately 3,280 to 3,360 feet above mean sea level. Based on a review of the topographic map and AECOM's site visit, the Subject Property is generally flat in the central and southern low-lying areas and hilly in the northern portion with an overall downward slope toward the east-southeast.

3.2 Soil/Geology

Site-specific geologic information was not identified during the course of this assessment. According to the environmental database search report, the Subject Property is underlain with soil classified as La Posta (loamy coarse sand); Mottsville (loamy coarse sand); Tollhouse (gravelly coarse sandy loam); and Loamy Alluvial Sand (silt loam). The La Posta soils are reported to have moderate infiltration rates (Class B) that are somewhat excessively drained and are not hydric (not supporting wetlands). The Mottsville soils are reported to have high infiltration rates (Class A) that are well to excessively drained sands and gravel. These soils are also not hydric (not supporting wetlands). The Tollhouse soils are reported to have very slow infiltration rates (Class D) that have a high water table that are somewhat excessively drained. These soils are also not hydric (not supporting wetlands). The Loamy Alluvial Sand are reported to have slow infiltration rates (Class C) with layers impeding downward movement of water or soils and are somewhat poorly drained. These soils are partially hydric (supporting wetlands).

According to geologic information provided in the environmental database report, the bedrock geology of the Subject Property is of the Mesozoic Era, Cretaceous System, and Cretaceous granite rocks Series.

3.3 Groundwater/Hydrology

Site-specific hydrologic information was not identified during the course of this assessment. Based on the topographic gradient in the area of the Subject Property, the groundwater flow beneath the Subject Property and in the surrounding area is anticipated to flow southeasterly. Based on information provided in Section 5.4.2, AECOM anticipates that groundwater in the area of the Subject Property is likely to be encountered at a depth approximately 20 feet bgs. According to information provided in the most recent quarterly groundwater monitoring report (Kleinfelder, July 2011), located on GeoTracker, groundwater flow was calculated to flow toward the west-southwest (from a site located adjacent to the south of the Subject Property, across Old Highway 80) at an approximately gradient of 0.02 foot per foot. However, the actual groundwater flow direction and groundwater depth beneath the Subject Property cannot be accurately determined without site-specific groundwater monitoring well data.

4.0 Site and Area History

Historical information for the Subject Property and surrounding sites is based on AECOM's review and analysis of the following historical sources:

- Aerial photographs dated 1953, 1975, 1989, 1994, and 2005.
- Topographic maps dated 1959, 1975, and 1991.
- Interviews with the site contact(s).

According to Environmental Data Resources (EDR) Sanborn® Fire Insurance map coverage is not available for the area of the Subject Property.

4.1 Subject Property

Historical research indicates that in at least 1953 (earliest historical source), the Subject Property was developed similarly, with its existing uses, as agricultural land.

The 1959 and 1975 topographic maps were reviewed. One residential-sized structure was identified to be located within the central portion of the Subject Property, southwest of the existing unpaved access road. The remnant of the chimney structure discussed in Section 2.3 may have belonged to this residential-sized structure; however, this was not confirmed by Mr. Dawson. The 1991 topographic map no longer displays the one residential-sized structure located within the central portion of the Subject Property, southwest of the existing unpaved access road.

The 1953 and 1975 aerials appeared to display one residential-sized structure located within the central portion of the Subject Property, in the area of the chimney structure. The one residential-sized structure located within the south central portion of the Subject Property, in the area of the chimney structure, no longer appeared present in the 1989 aerial photograph. The Subject Property in the 1994 and 2005 aerial photograph appeared similarly as it appeared at the time of AECOM's site visit.

4.2 Off-site Properties

Historical research indicates that the surrounding sites appeared developed similarly, with their existing uses, including predominately as rural residential/ agricultural land. No historical off-site sources of concern were identified.

4.3 Previously Prepared Environmental Reports

Previously prepared environmental reports (e.g., previously prepared Phase I ESAs) were not identified and/or provided for AECOM's review during the course of this assessment.

5.0 Database and Records Review

5.1 User Provided Information

Mr. Brison R. Ellinghaus, on behalf of LANWest, provided AECOM with a completed ASTM 1527-05 User Questionnaire, which summarized LANWest's knowledge of title records, environmental liens, specialized knowledge, and/or real estate value reduction issues associated with the Subject Property. Mr. Ellinghaus was not aware of environmental liens or activity use limitations having been placed on the Subject Property. Mr. Ellinghaus stated that he did not have specialized knowledge or experience that is material to environmental concerns in connection with the Subject Property. According to Mr. Ellinghaus, the purchase price of the Subject Property reflects its fair market value.

5.2 Title Records/Environmental Liens

An environmental lien search was not performed as part of this assessment. However, AECOM was provided with a preliminary title report by First American Title Company dated as of November 4, 2010. According to AECOM's review of the report, no environmental liens were identified in association with the Subject Property. In addition, the user did not identify any liens associated with the Subject Property.

5.3 Database Information

In accordance with the scope of work and ASTM Standard E-1527-05, a search of various governmental databases was conducted by EDR. The site-specific environmental database report prepared by EDR was reviewed to determine the potential for environmental impacts to the Subject Property from on-site and/or off-site sources of concern. The database abbreviations are provided in the site-specific environmental database report.

The database report includes database information for each of the sites identified/geocoded within the specified radius. Additional sites with recognized environmental risks were identified, but AECOM was not able to map them to specific locations due to insufficient/ contradicting address information. These sites were included in the database report as "orphan" sites. Based upon AECOM's review, there does not appear to be significant concerns associated with the orphan sites, identified greater than 500 feet from the Subject Property, accept for one of the orphan sites, identified as CalTrans /Boulevard (40945 Old Highway 80) (see discussion below) . A summary of AECOM's review and analysis of the site-specific environmental database report is presented below. A copy of the database report is provided in Appendix B.

Based on AECOM's research, the Subject Property is not located on or within a 1-mile radius of tribal lands.

5.3.1 Subject Property

The Subject Property was not identified in the site-specific environmental database report.

5.3.2 Surrounding Sites

According to the site-specific environmental database report, there are three sites identified within their respective ASTM search distances from the Subject Property. Based on AECOM's review of these database listings, these sites are not expected to present a REC to the Subject Property based

on their distance from the Subject Property (i.e., approximately ¼ mile), regulatory status (i.e., closed, no violations found, soils only), and/or nature of the database listing (non-contamination related). Due to its proximity to the Subject Property, the following site is discussed in additional detail:

- CalTrans /Boulevard (40945 Old Highway 80) was identified as an open - remediation LUST/ San Diego County Site Assessment and Mitigation Program (SAM) site/ Cortese, a SWF/LF site, and a RCRA-SQG site. The site is located adjacent to, and topographically cross-gradient to, the southwestern corner of the Subject Property, across Old Highway 80. No violations are reported regarding its generator status. The site is identified as a Limited Volume Transfer Operation that is inspected quarterly. The site reportedly accepts approximately 15 tons per day of mixed municipal waste (e.g., tires, wood). See Section 5.4.2 below for a detailed discussion of the assessment and remediation of this site.

5.4 Agency File Review

5.4.1 Department of Toxic Substances Control

AECOM searched the Department of Toxic Substances Control (DTSC) online EnviroStor database for California Cleanup Sites involving the DTSC. The EnviroStor database consists of federal National Priorities List (NPL) sites, state response sites, voluntary cleanup sites, and school cleanup sites. No records were found for the Subject Property.

5.4.2 State Water Resources Control Board

AECOM conducted a records search of the Subject Property on the California Environmental Protection Agency's State Water Resources Control Board online GeoTracker database. The GeoTracker database regards contaminated property investigations consisting of Leaking Underground Fuel Tank, Spills, Leaks, Investigations, and Cleanups, Land Disposal, Department of Defense (non-underground storage tanks), Wells, and Underground Storage Tank sites at properties throughout California. No records were found for the Subject Property.

Caltrans Maintenance Yard

The Caltrans Maintenance Yard located on (40945 Old Highway 80) was identified as an open - remediation LUST/ San Diego County Site Assessment and Mitigation Program (SAM) site/ Cortese, a SWF/LF site, and a RCRA-SQG site. The site is located adjacent to, and topographically cross-gradient to, the southwestern corner of the Subject Property, across Old Highway 80. No violations are reported regarding its generator status. The site is identified as a Limited Volume Transfer Operation that is inspected quarterly. The site reportedly accepts approximately 15 tons per day of mixed municipal waste (e.g., tires, wood). The site has an open - remediation case status. According to information provided on GeoTracker, three USTs (installed circa 1961) were removed on July 19, 1996, including two diesel 1,000-gallon USTs and one gasoline 3,000-gallon UST. During removal of the USTs, the local regulatory oversight agency, the SDCDEH Inspector, noted that each of the USTs exhibited heavy corrosion; however, no holes were noted. Discoloration of native formation was observed beneath one of the USTs and in the dispenser area. Odors were noted as emanating from the bottom of the excavation. Analytical results for soil samples collected during the UST removals indicated concentrations of petroleum hydrocarbons at 11,000 milligrams per kilogram (mg/kg). The SDCDEH opened an unauthorized release case on July 26, 1996. A groundwater monitoring well was installed through the base of the former UST excavation in July 1997. Groundwater was

encountered at a depth approximately 27 feet bgs. Information as to whether groundwater beneath the site had been impacted was necessary to assess a potential threat to an on-site drinking water supply well (located approximately 100 feet to the south of the Subject Property, and Old Highway 80). Subsequent groundwater sampling indicated that groundwater was impacted beneath the former UST excavation, primarily by gasoline, diesel, benzene, and MTBE; however, the on-site drinking water supply well was not impacted.

Additional site investigation activities were performed in January 1999, September 2000, August 2001, and April 2004. Nineteen borings were drilled and sampled and eight groundwater monitoring wells were installed. The maximum depth of investigation was approximately 45 feet bgs. Boring logs indicate sandy fill material underlies the site, which is underlain by weathered granitic rock. Quarterly groundwater monitoring and sampling of the monitoring wells and the on-site drinking water well (screened at a deeper interval at approximately 200 feet bgs, deeper than the petroleum hydrocarbon impacted groundwater beneath the site) has been conducted through the present.

According to information provided in the most recent quarterly groundwater monitoring report (Kleinfelder, July 2011), located on GeoTracker, groundwater flow was calculated to flow toward the west-southwest (away from the Subject Property) at an approximately gradient of 0.02 foot per foot. The maximum detected concentration in groundwater samples collected in 2Q11 of petroleum hydrocarbons as gasoline was 22,000 micrograms per liter ($\mu\text{g/l}$); of petroleum hydrocarbons as diesel was 8,400 $\mu\text{g/l}$, of benzene was 3,600 $\mu\text{g/l}$, of toluene was 99 $\mu\text{g/l}$, of ethylbenzene was 130 $\mu\text{g/l}$, of xylenes was 1,800 $\mu\text{g/l}$, and of tertbutanol was 68 $\mu\text{g/l}$ (in MW-7) and of MTBE was 110 $\mu\text{g/l}$ (in MW-3).

A Corrective Action Plan (CAP) was submitted to SDCDEH in July 2005 that recommended using soil vapor extraction with air sparging to remediate impacted soil and groundwater beneath the site. Subsequent to the CAP submittal, water level elevations increased beneath the site. A CAP Addendum was submitted in November 2006. Final approval of the CAP/CAP Addendum was issued in March 2007. The site remediation system was installed in 2009 and has been operating periodically since February 2010, and includes four soil vapor extraction wells and ten air sparge wells.

According to the most recent groundwater monitoring data for this site (July 2011), the groundwater flow direction beneath this site is to the west-southwest (cross- gradient of the Subject Property). No gasoline released compounds were identified in groundwater in the immediate vicinity of the Subject Property. Based on this information, the CalTrans Maintenance Yard site is not considered a REC.

5.4.3 United States Environmental Protection Agency

AECOM searched the U.S. Environmental Protection Agency's (EPA's) CERCLIS, online database. The CERCLIS database consists of sites being assessed under the Superfund program (NPL sites), hazardous waste sites, and potential hazardous waste sites. No records were found for the Subject Property.

6.0 Findings and Opinions

AECOM performed a Phase I ESA of the Subject Property in conformance with the scope and limitations of ASTM Practice E 1527-05, which meets the requirements of Title 40, Code of Federal Regulations Part 312 and is intended to constitute *all appropriate inquiry* for purposes of the landowner liability protections. Any exceptions to, or deletions from, this practice are described in Section 1.3 through 1.5 of this report.

6.1 Recognized Environmental Conditions

Based on the above-described activities, no RECs were identified in connection with the Subject Property.

6.2 Historical Recognized Environmental Conditions

Based on the above-described activities, no historic RECs were identified in connection with the Subject Property.

6.3 De Minimis Conditions

Based on the above-described activities, no de minimis conditions were identified in connection with the Subject Property.

7.0 Conclusions

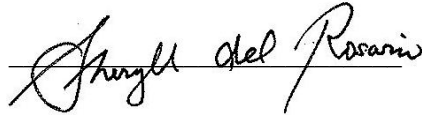
AECOM has performed a Phase I ESA of the approximately 60 acres of agricultural land bound to the south by Old Highway 80, and to the north by Interstate 8, on the west by the property line and on the east by physically described boundary, in San Diego County, California, in conformance with the scope and limitations of ASTM Practice E 1527-05. Any exception to, or deletions from, this practice are described in Sections 1.3 through 1.5 of this report. This assessment has revealed no evidence of RECs in connection with the Subject Property and AECOM has made no recommendations.

8.0 Quality Control/Quality Assurance

8.1 Site Visit, Research, and Report Preparation

The site visit, research, and report preparation were conducted by Ms. Sheryll DelRosario, in AECOM's San Diego, California, office.

Signature:



8.2 Quality Control Review

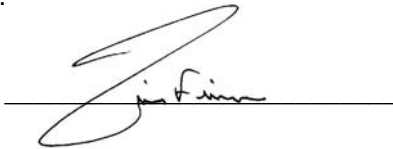
A first level review of this report was conducted by Ms. Kirsten Bradford of AECOM's Camarillo, California.

Signature:



A second level review of this report was conducted by Mr. Jim Fickerson, in AECOM's Camarillo, California, office.

Signature:



8.3 Environmental Professional Statement

Ms. Kirsten Bradford was the Environmental Professional (EP) for this project. Ms. Bradford's EP statement is below and her resume is provided in Appendix C.

I declare that, to the best of our professional knowledge and belief, I meet the definition of an EP as defined in §312.10 of 40 Code of Federal Regulations (CFR) and that I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the Subject Property. I have developed and performed all the appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Signature:



Date: January 4, 2012

9.0 References

9.1 Persons Interviewed

Mr. Gordan Dawson (site contact), ranch manager, (619) 540-5533, gordyd3@aol.com

9.2 Agencies Contacted/Reviewed

Department of Toxic Substances Control (DTSC). EnviroStor online database search conducted at <http://www.envirostor.dtsc.ca.gov/public/>

San Diego County. <http://sdpublic.sdcountry.ca.gov/>, Public Information Line, (619)236-3771.

State Water Resources Control Board (SWRCB). GeoTracker online document search conducted at <http://geotracker.swrcb.ca.gov/>

United States Department of Agriculture's Natural Resources Conservation Services Web Soil Survey at <http://websoilsurvey.nrcs.usda.gov/app>

United States Environmental Protection Agency (EPA). CERCLIS online database search conducted at <http://cfpub1.epa.gov/supercpad/cursites/srchsites.cfm>.

9.3 Documents Reviewed

The EDR Aerial Photo Decade Package, LANwest, Boulevard, CA 91905, dated October 17, 2011, Inquiry number 03188188.4. Aerial photographs dated 1953, 1975, 1989, 1994, and 2005. Report prepared by Environmental Data Resources, 440 Wheelers Farms Road, Milford, and Connecticut 06461, (800) 353-0050.

The EDR Radius Map™ Report with GeoCheck®, LANwest, Boulevard, CA 91905, dated October 17, 2011, Inquiry number 03188188.2r. Report prepared by Environmental Data Resources, 440 Wheelers Farms Road, Milford, Connecticut 06461, (800) 353-0050.

EDR Historical Topographic Map Report, LANwest, Boulevard, CA 91905, dated October 17, 2011, Inquiry number 03188188.3. Topographic maps dated 1959, 1975, and 1991. Report prepared by Environmental Data Resources, 440 Wheelers Farms Road, Milford, and Connecticut 06461, (800) 353-0050.

First American Title Company, including for the Subject Property, dated as of November 4, 2010.

Second Quarter 2011, Groundwater Sampling Report, Boulevard Maintenance Yard, 40945 Old Highway 80, Boulevard, California, Unauthorized Release No. H00149-001, dated July 13, 2011, prepared by Kleinfelder.

Figures

Appendix A

Representative Site Photographs

Appendix B

Environmental Database Report

Appendix C

Qualifications of Environmental Professionals