ANACAPA GEOSERVICES INC.

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March 15, 2018 Project No. 5351.0104

Christopher Miller / Scannell Properties c/o D&D Engineering – Henrik Nazarian 8901 South La Cienega Boulevard, Suite 106 Inglewood, California 90301

Re: 8315 & 8375 Merrill Avenue, Chino, California

Anacapa Geoservices Inc. (Anacapa) was retained by your office(s) to provide a Phase I Environmental Site Assessment (ESA) for a proposed project to be located at 8315 & 8375 Merrill Avenue in Chino. The ESA evaluated the property <u>and</u> surrounding vicinity. The ESA noted an open case for impacted groundwater on the <u>west</u> side of the Chino Airport. Based on distance, direction of groundwater flow, case status and quality of the identified Responsible Party, Anacapa recommended "no further action" for the subject site.

Anacapa was also requested to evaluate the potential for pesticide impacted soil and or ground water at Site. During the Phase I ESA, Anacapa considered this potential impact and concluded that the issue was not of significant concern to warrant mention for the following reasons:

- Pesticides applied to the soil, if any, were legally applied farm chemicals;
- Pesticides of potential concern were banned from manufacture or sale in the 1970's time frame;
- Pesticides of potential concern, (e.g. DDT and others) degrade at a prescribed rate based on their individual chemistries;
- Our experience is that governing agencies (State, County and local) are generally unwilling to consider that pesticide cases warrant government involvement. Therefore the issue does not represent a "Recognized Environmental Condition" as defined by ASTM E1527-13;
- The dairy scenario does not <u>normally</u> involve use of pesticides which could be detrimental to the herd;
- It is likely that relict amounts of pesticides and/or herbicides could be detected at some location on the site, but a Phase II ESA may or may not be able to locate those spots and therefore give an erroneous impression of the condition of the site;
- It is unlikely that aerial spraying of pesticides in the past was used given the proximity to the dairies and the limited size of the site
- A limited Phase II ESA could be conducted, however the results may be misleading;
- It is likely that geotechnical considerations may result in removal of the surface and shallow subsurface due to high organic content caused by manure and other related organics;
- It is likely that geotechnical removals and recompaction would re-distribute any pesticide residue such that the results of a limited Phase II ESA would be rendered obsolete;

553 South Ventu Park Road Newbury Park, CA 91320-4650 (805) 766-2040 arm.anacapa@amail.com The planned future use of the site includes large warehouse buildings with paved floors, extensive parking and loading areas and minimal areas with landscaping. This encapsulating design will minimize exposure of soil to site users and therefore does not appear to be a concern.

In the unlikely event that pesticide impacted soil and/or groundwater is encountered at the subject site, Anacapa would recommend that the owner / tenant contact both the County and the State Regional Water Quality Control Board and claim "Affected Party" status. Alternatively, the purchase and sale agreement could be revised to indemnify the future owners and tenants against all claims related to the case.

Anacapa appreciates continuing to serve your environmental needs. If you have any questions, contact the office at your convenience.

Respectfully Submitted

George R lill a

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Gregory Millikan, exp. 8/31/2018 Principal Geologist