

**APPENDIX I-6**  
*Environmental Audit Summary*



## **Environmental Audit Summary**

**Cherokee Brooks Street Vallejo  
(Former General Mills Facility)  
Vallejo, California  
October 27, 2008**

*Prepared For*



**Raleigh, North Carolina**

*Prepared By*

**Duncklee & Dunham, P.C.  
Cary, North Carolina**



DUNCKLEE & DUNHAM, P.C.



ENVIRONMENTAL CONSULTANTS  
511 KEISLER DRIVE - SUITE 102  
CARY, NORTH CAROLINA 27518  
OFFICE: (919) 858 - 9898  
FACSIMILE: (919) 858 - 9899

October 27, 2008

Mr. Oliver Pau  
Cherokee Investment Services, Inc.  
311 E. Hargett Street, Suite 300  
Raleigh, North Carolina 27601

Reference: Environmental Audit Summary Report  
Cherokee Brooks Street Vallejo  
Duncklee & Dunham Project No. 200815F

Dear Mr. Pau:

As requested by Cherokee Investment Services, LLC (CIS), Duncklee & Dunham, PC is pleased to present this Environmental Audit Summary for the former General Mills - Vallejo, California site. The findings in the attached report were derived from information collected from several sources including data posted on the Cherokee intranet, interviews, and a July 9, 2008, on-site field reconnaissance. The site reconnaissance was attended by Daphne Olszewski of Duncklee & Dunham, Alan Leavitt of Northgate Environmental and Floyd Miller, a former General Mills employee and current on-site property caretaker.

If you have any questions or require additional information, please contact Ms. Olszewski at (919) 858-9898 extension 207 or at [daphne@dunckleedunham.com](mailto:daphne@dunckleedunham.com).

Sincerely,

DUNCKLEE & DUNHAM, P.C.

Daphne J. Olszewski  
Brownfields Program Manager

*Senior Peer Review:*

David L. Duncklee, P.G.  
Senior Hydrogeologist/President

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**Environmental Audit Summary Report**  
**Cherokee Brooks Street Vallejo**  
**Vallejo, California**  
**October 27, 2008**

**1 Background Information**

An environmental compliance audit was conducted for the Cherokee Brooks Street Vallejo (CBSV) property (the Site), which fronts the Mare Island Strait. Mare Island Strait is the waterway connecting the mouth of the Napa River and San Pablo Bay, approximately 30 miles north of San Francisco, California. The Site is the location of a former General Mills Inc. (General Mills) plant and is approximately 38 acres of land (see Figure 1) located southeast of the intersection of Derr and Lemon Streets in Vallejo, California.

The Site was used as a flour processing mill between 1869 and 2004. The buildings consist of an eight-story former flour mill (see Photo 1) and related facilities including packaging facilities (a bag factory and print shop), grain elevators and warehouses. Operations historically conducted at the facility included the cleaning, processing, bleaching, and packaging of flour and other General Mills products.

Of the 38 acres, approximately 28 acres were owned by General Mills, known as the Fee Lands. This portion of the property was transferred fee simple to CBSV on May 30, 2007. The balance of the Site, approximately 10 acres, is known as the Leasehold. This land is owned by the City of Vallejo and was leased to General Mills. As a result of the transaction between General Mills and CBSV, the lease on this land was transferred from General Mills to CBSV. The attached Figure 1 Site map identifies these two parcels. The Leasehold will be suitable for commercial/industrial or open-space/park development and is the along the waterfront (see Photo 2). The remaining Fee Lands include the higher elevations at the back of the Site (see Photo 3) which are suitable for residential development.

Cherokee Investment Services, LLC (CIS) retained Duncklee & Dunham, P.C. (Duncklee & Dunham) to conduct an audit to evaluate the Site's compliance status with relevant environmental laws and regulations, and to evaluate conformity with certain provisions of CIS's ISO 14001 certified environmental management system (EMS). Daphne Olszewski of Duncklee & Dunham, along with Alan Leavitt of Northgate Environmental Management, Inc. (Northgate), CBSV's environmental consultant, and Floyd Miller (current property caretaker and former General Mills employee) conducted the Site visit on July 9, 2008. A completed CIS audit checklist for the Site, including EMS questions, is included as Appendix A. Site photographs collected during our Site reconnaissance are included in Appendix B.

***1.1 Property Location and Description***

The Site's location affords a spectacular view of Mare Island and the San Pablo Bay (see Photos 4 and 5). It is located along the Baylink ferry route (see Photo 6) between the Vallejo Ferry Terminal, about 1.5 miles north of the Site, also on the east side of Mare Island Strait, and the historic 1903 Ferry Building located on San Francisco's Embarcadero. The Site is also located near two commuter corridors, Interstates 80 and 780 (see Photo 7), and is approximately a 45-minute drive to downtown San Francisco. The Site consists of the relatively flat Leasehold acreage, with the Fee Lands varying from flat to steep topography going inland from Mare Island Strait.



## **1.2 Historical Use of the Site and Vicinity**

In 1869, Abraham Starr convinced the Southern Pacific Railroad to extend tracks to the current Site, on which Starr then constructed a flour mill, dock, and warehouse. The railroad extension connected the Site to the newly completed transcontinental railroad, which, in turn, connected the mill to all points along that route, from the Pacific to the Atlantic. Only portions of the dock remain of the Starr Mill (see Photo 8), but the Site was occupied continuously until 2004 by successive owners as one of the most important flour mills in California. Port Costa Flour Company bought the property in 1895, followed by Sperry Flour Company in 1910. Sperry built four of the historically significant buildings at the Site - the Flour Mill, Grain Silos, Administration Building, and Garage - during World War I, when demand for flour increased significantly. General Mills acquired Sperry Company and the Vallejo Site in 1929 and made only minor changes to it. Apart from a few very brief stoppages, mills at the Site continuously produced flour and feed for 135 years.

## **1.3 Redevelopment Plan**

CBSV's business objective is to redevelop the Fee Lands as residential town homes, convert the Mill Building to lofts and redevelop the waterfront area (Leasehold) as a park/open space. The redevelopment project will be known as Sperry Landing, and will consist of a diverse mix of about 370 residential units. The redevelopment will integrate existing structures with progressive new construction to create a live-work area and will potentially have ancillary commercial and retail uses.

In the historic mill building, potential unit types will range from open-plan studios for young professionals, to spacious two-bedroom units. New condominiums will provide a contrast to the mill building for those who prefer more modern amenities and private outdoor living space. The live/work loft units, located in the central core of the Site, provide opportunities for shop owners, artists, and other professionals to eliminate their commute and live where they work. Each townhouse neighborhood has something unique to offer, from private townhouses nestled in the hills to the beachfront townhouses that open out to the Bay. Finally, single-family lots on the north and south ends of the Site provide ample space for unique single-family houses with private yards.

The vision is for a mixed-use sustainable urban village that provides amenities and services within walking distance as well as having public access and connections to the surrounding community. Sustainability principles and concepts will guide all stages of the project from planning and community involvement to construction. CBSV will pursue entitlements and then sell the property to a residential developer. The anticipated sale is expected to occur in 2009-2010.

## **1.4 Environmental Issues**

### **1.4.1 Soil and Groundwater Impacts**

Throughout its history, the Site has encountered relatively few environmental concerns, other than petroleum-impacted soil. Site operations included the use and storage of various grades of petroleum hydrocarbons, from gasoline and diesel fuels for vehicle operations to heating oil for facility operation. Petroleum products were stored in a combination of aboveground storage tanks (ASTs) and underground storage tanks (USTs). Most of the ASTs were removed from operation in the early 1950's to the late



1960's. The USTs remained in operation until the mid-1980's to early 1990's. By 1996 all known USTs were removed from service and closed in accordance with local and State regulations.

In 2005, a Phase I Environmental Site Assessment (ESA) and a Phase II ESA, performed by Clayton Group Services, Inc. (CGS) for a potential buyer, revealed that soil and groundwater beneath the Site were impacted by petroleum hydrocarbons at concentrations that could potentially impact or limit future use of the property. As a consequence, General Mills decided to further evaluate the nature and extent of the environmental impacts to the Site from historical operations.

General Mills contracted with Malcolm Pirnie to further assess/verify the potential presence of former USTs reported by CGS. Following the review of historical Sanborn maps available for the Site, Malcolm Pirnie identified the potential presence of five historic USTs on the 1938 Sanborn map. Malcolm Pirnie confirmed the presence of these five USTs using a backhoe on January 5, 2006.

As a result of newly discovered USTs and impacted soil and groundwater, the Solano County Department of Resource Management (SCDRM) issued a "Notice of Corrective Action and Responsibility" to General Mills in a letter dated January 27, 2006 when they determined an unauthorized release of hazardous substance occurred from the UST system at the Site. SCDRM oversees the Corrective Action via an agreement with the State of California Regional Water Quality Control Board (RWQCB). General Mills retained environmental liability of the Site in the sale to CBSV, and have worked towards remediation and closure of the environmentally impacted portions of the Site.

Since January 2006, General Mills has conducted environmental investigations of the property. Soil borings were drilled in an effort to define the extent of soil and groundwater contamination and to determine clean-up options. General Mills' investigations focused on the former USTs and areas impacted by petroleum hydrocarbons. To date, 13 USTs and seven ASTs are known to have been used at the Site. With the exception of one UST that was abandoned in place, all identified USTs and ASTs have been removed.

A relatively large area of petroleum hydrocarbon-impacted soil was identified in 2005-2006 on the Leasehold property at the western area of the Site (see Figure 1). While the specific source(s) of this contamination have not been confirmed, the impacted area appears to be associated with several former USTs and a part of the Site that was previously used to dispose of debris and other fill materials. The petroleum hydrocarbons consist primarily of diesel fuel and motor oil. Various polynuclear aromatic hydrocarbons (PAHs) also have been detected in the same general areas as the petroleum hydrocarbons. General Mills remediated this area by excavation, in accordance with a work plan approved by SCDRM to meet the Site-specific approved cleanup goals for commercial/industrial use in the Leasehold parcel (see Photo 9). Further information on the status of this work is provided in Section 1.6 of this report.

Due to interest in the property, Brooks Street retained the services of Northgate to conduct a Phase I ESA and Phase II Soil and Groundwater Quality Investigation at three areas of the Site that had not been sufficiently characterized and available information indicated the potential presence of contamination. Northgate's Phase II investigation did not identify significant soil or groundwater impacts associated with VOCs, SVOCs, or petroleum hydrocarbons. Sampling results for arsenic were generally in the range of 5 to 10 mg/kg but arsenic was detected in one soil sample above the range in background values (up to 19 mg/kg as reported by Malcolm Pirnie) at 23 mg/kg. There was also one sample that had arsenic higher than the remainder of the samples but lower than the background level (12 mg/kg). The one arsenic





sample above the background level is probably not indicative of a release and SCDRM is not requiring any remediation of soil containing arsenic at this time. However, surficial arsenic concentrations may need to be further evaluated prior to Site development. If arsenic concentrations in localized areas exceed regional background values, it may be necessary to contain affected soil below future building footprints or paved areas in non-residential portions of the Site.

#### *1.4.2 Wetlands/Habitat Considerations*

Additional non-remediation surveys and studies will need to be completed for the California Environmental Quality Act (CEQA) review and regulatory permitting associated with environmental impacts that may occur related to the redevelopment of the Site. Most importantly these include:

- A small area of wetlands (about 4,000 square feet) at the base of the steep cliffs that may fall under the jurisdiction of the U.S. Army Corps of Engineers (USACE);
- The potential for monarch butterflies to winter roost in the eucalyptus stand on the Site (tracked through the California Department of Fish and Game although there is no official status as protected species);
- Tidal waters of San Pablo Bay and Mare Island Strait to the high-tide line are considered Waters of the U.S. and are under the jurisdiction of the USACE;
- About 300 square feet of Northern coastal salt marsh located along the shore line and likely within USACE's jurisdiction; and
- Determination if there is a potentially suitable habitat for special-status plants.

Brooks Street has experience navigating through the CEQA process from their other California development projects and will spearhead this effort.

#### *1.4.3 Bona Fide Prospective Purchaser Obligations*

A draft bona fide prospective purchaser (BFPP) checklist was available for review on the intranet, dated July 3, 2008. CBSV is not affiliated with any previous owner potentially liable for response costs through contractual, corporate, familial, and/or financial relationships and there should be no problem establishing the BFPP exception to CERCLA liability. However, the checklist has not had legal review and needs to be finalized once this review is complete.

#### *1.5 Environmental Management Team*

Doug Mosteller of CIS Denver is the environmental engineer/project manager. Alan Leavitt of Northgate Environmental is the environmental consultant contact for CBSV. Todd Miller of Malcolm Pirnie is General Mills' environmental consultant contact. Malcolm Pirnie is responsible for the environmental work that needs to be conducted in order to receive a No Further Action determination on the Leasehold. Northgate Environmental conducted Phase I and Phase II Environmental Site Assessments on behalf of CBSV, and has been the contact between CBSV and Malcolm Pirnie on environmental issues.



### **1.6 Cleanup Approach and Current Status**

Under contractual agreement, General Mills is responsible for the remediation of the Site to residential levels in the Fee Lands and commercial/industrial levels in the Leasehold. General Mills recently finished conducting four quarters of groundwater monitoring. When CBSV closed on the property, SCDRM issued a notice of work completion on the Leasehold and a No Further Action (NFA) letter for the Fee Lands. An NFA request for the Leasehold was submitted to SCDRM in early September 2008 after General Mills completed a year of quarterly groundwater monitoring where all results were less than established, site-specific criteria. NFA approval is expected later this year.

## **2 Audit Findings**

*Each sub-section below corresponds to the same sub-section in Section 3.*

General Mills is responsible for the environmental remediation work being conducted at the Site, and appear to be in compliance with the regulatory schedule for obtaining a No Further Action determination on the Leasehold property.

- 2.1** Investigation Derived Waste (soil cuttings and purge water) was noted during the audit dating back to installation of wells over a year ago.
- 2.2** The BFPP checklist has been drafted, but has not had legal review so it can be finalized. CIS has utilized Bill Lane of Kilpatrick Stockton for these services, but a local environmental attorney used by Brooks Street is also a possibility.
- 2.3** There are a few key environmental documents that Malcolm Pirnie produced missing from Cherokee intranet site for this asset.
- 2.4** The Environmental Management Plan is dated August 7, 2008 and does not reflect current conditions. However, it appears that General Mills has conducted the environmental work on schedule. Other than asbestos abatement, the environmental budget is geared towards contingencies that to date are not yet needed so the environmental portion of the project is well within budget. Asbestos abatement was performed on the General Mills office building that was renovated for Brooks Street's offices, but further asbestos abatement won't be conducted until entitlements are obtained.

## **3 Recommended Actions**

A conference call is scheduled for October 29 2008 to discuss the findings of this audit. The conference call invitation was extended to Cherokee Brooks Street Vallejo's deal side (Scott Goldie and Devin Hassett of Brooks Street) as well environmental staff (Doug Mosteller, Environmental Engineer/CIS Project Manager; John Gallagher, Environmental Managing Director; Oliver Pau as EMS Coordinator; and Daphne Olszewski, External Auditor).

Once each of the following recommended actions is completed, the environmental manager should notify Oliver Pau and Daphne Olszewski by email that it has been completed. Any of these items that are



subsequently included in a corrective and preventative action report (CPAR) will have the completion date for the item added in order to close out that particular recommended action.

- 3.1 The draft BFPP checklist would benefit from legal review. It should then be *finalized on legal counsel's letterhead and uploaded to the intranet by December 15, 2008.*
- 3.2 General Mills, not CBSV, is in charge of the environmental work at the Site. Northgate Environmental contacted Malcolm Pirnie, who stated that they would take care of the well cuttings generated from well installation on the Site in 2007 later this fall, during the well abandonment after the NFA request is approved by SCDRM. *If CIS wants others to handle waste materials according to their own guidelines, they will need to address these issues upfront in the contractual agreement. No action is necessary for this finding.*
- 3.3 One of purposes of having documents readily available on the intranet is so that prospective purchasers can easily obtain information during their own due diligence periods. Some of the General Mills documents generated by Malcolm Pirnie (the last three quarterly groundwater monitoring reports, the letter requesting NFA and the final approval for NFA from SCDRM (when available later this year) are important environmental documents that will need to be made available to prospective purchasers. *Upload this environmental information to the intranet by December 31, 2008.*
- 3.4 Once the No Further Action approval has been granted for the Leasehold, the EMP should be revised and uploaded on the intranet. It is *recommended that the EMP be updated within sixty days after the NFA is issued.* From an environmental standpoint, this revision of the EMP should be the last substantive change that needs to be made to the document, which will then be current and readily available as needed.

#### 4 Notable Management Practices

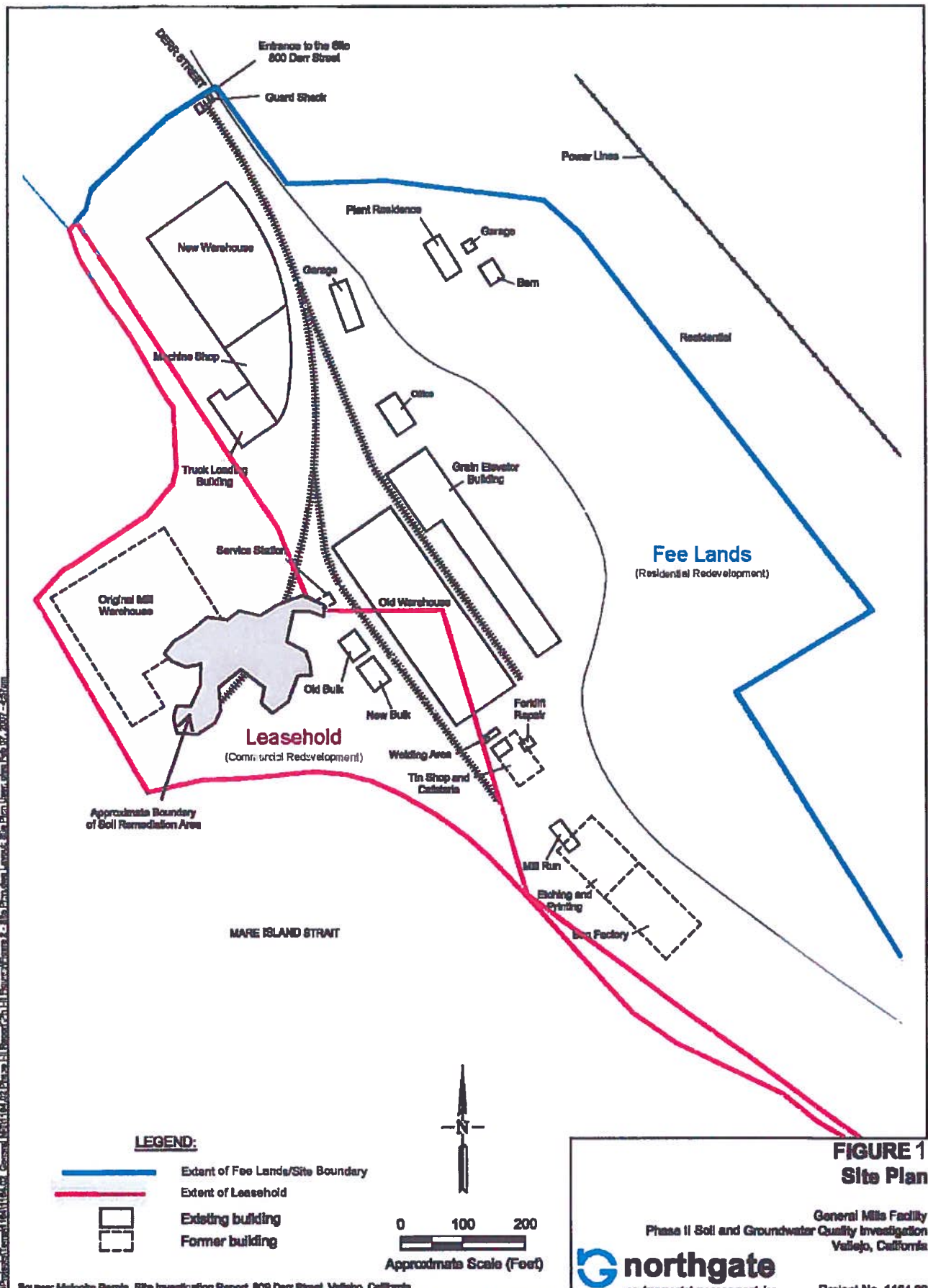
Brooks Streets offices will be moved into the renovated office building (see Photo 10) on the Site. Having their presence on the Site will undoubtedly prove to be useful during the CEQA process and any due diligence periods by prospective redevelopers of the Site.

The entire concept behind the redevelopment is incorporating all facets of sustainability - from the Site being a reclaimed brownfields property, the adaptive reuse of exiting historic structures, pedestrian, bicycle and transit connections within the community, and the goals of water conservation, water quality and energy efficiency in the design of the redevelopment to name a few illustrates a partnership that truly mirrors the goals Cherokee desires to see in their brownfields redevelopment projects.



**FIGURE 1**  
**Site Map**

**Cherokee Brooks Street Vallejo – Former General Mills Site  
Vallejo, California**



**FIGURE 1**  
**Site Plan**

General Mills Facility  
Phase II Soil and Groundwater Quality Investigation  
Vallejo, California  
**northgate**  
environmental management, inc.  
Project No. 1164.02

Source: Malcolm Pirnie, Site Investigation Report, 808 Derr Street, Vallejo, California  
 Dunclee & Dunham, P.C. modified this figure for October 2008 Environmental Audit Summary Report

**APPENDIX A**  
**Audit Checklist**

**Cherokee Brooks Street Vallejo – Former General Mills Site  
Vallejo, California**

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**CHEROKEE MULTIMEDIA INSPECTION CHECKLIST  
FOR ENVIRONMENTAL FIELD AUDIT**

**CHEROKEE BROOKS STREET VALLEJO  
JULY 9, 2008**

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**SECTION 1. GENERAL SITE INFORMATION**

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1. SITE NAME: Vallejo – Former General Mills Site

2. SITE ADDRESS: Southeast of Intersection of Lemon & Derr  
Streets, Vallejo, California

3. DESCRIPTION OF REMEDIATION ACTIVITIES:

Remediation activities have included both dig-and-haul as well as ex situ chemical oxidation of petroleum contaminated soil attributable to releases from Underground Storage Tanks (USTs) and Aboveground Storage Tanks (ASTs) used to store waste oil, heating oil, diesel and gasoline. A year's worth of quarterly groundwater monitoring was conducted to determine if levels of contamination are decreasing now that the source has been excavated/treated. The analytical results do demonstrate that levels are attenuating, and a No Further Action (NFA) request was submitted to the Solano County Department of Resource Management (SCDRM) in September 2008, with approval expected later this year.

4. AUDITOR

NAME: Daphne Olszewski

COMPANY: Duncklee & Dunham, P.C.

EMAIL: [daphne@dunckleedunham.com](mailto:daphne@dunckleedunham.com)

POSITION: Senior Project Manager

TELEPHONE: (919) 858-9898 x207

5. CHEROKEE ENVIRONMENTAL PROJECT MANAGER

NAME: Doug Mosteller

COMPANY: Cherokee Investment Services

EMAIL: [dmosteller@cherokeefund.com](mailto:dmosteller@cherokeefund.com)

POSITION: Engineering Project Manager

TELEPHONE: (303) 689-1476

6. FIELD ENVIRONMENTAL MANAGER

NAME: Todd Miller (for General Mills)

COMPANY: Malcolm Pirnie, Inc.

EMAIL:

POSITION: Associate

TELEPHONE: (510) 735-3014

7. SITE CONSTRUCTION CONTACT (IF APPLICABLE)

NAME:

COMPANY:

EMAIL:

POSITION:

TELEPHONE:

8. CONSULTANT CONTACT (IF APPLICABLE)

NAME: Alan Leavitt

COMPANY: Northgate Environmental Management, Inc

EMAIL: [alan.leavitt@ngem.com](mailto:alan.leavitt@ngem.com)

POSITION: Principal Engineer

TELEPHONE: (510) 839-0688 x203

**SECTION 2. HAZARDOUS WASTE (RCRA)**

---

1. Are there any containers, drums, tanks, pails or dumpsters currently on the site that hold hazardous waste? (if NO, go to #2)

Yes     No     N/A

1a. What is the approximate quantity of waste stored?

N/A

1b. Where are the containers and tanks located?

N/A

1c. Are the containers and/or tanks clearly marked with the words hazardous waste?

Yes     No     N/A

---

1d. How long have these containers and/or storage tanks been on the site?

N/A

1e. Do hazardous waste storage containers/tanks have secondary containment (e.g., berm, vault, double walls)?

Yes  No  N/A

1f. Are there any containers or tanks of hazardous waste that are open or in poor condition (leaking, corroded, dented or crushed)?

Yes  No  N/A

1g. If YES, describe the waste (e.g., liquid, sludge, etc.), indicate where the containers/tanks are located, and note any markings on the containers/tanks:

N/A

2. Do the remediation activities generate or otherwise handle hazardous waste (If NO, go to #3)

Yes  No  N/A

Some petroleum contaminated soil containing PAHs was sent offsite to a Class II landfill (landfill between a Subtitle D Municipal landfill & Hazardous Waste landfill in California for disposal of soil containing hazardous constituents but not hazardous waste.

2a. Describe the types of hazardous waste generated/handled:

N/A

2b. Is the hazardous waste generated/handled on-site or received from off-site?

On-site  Off-site  N/A

2c. If from off-site, is there a permit for this activity?

Yes  No  N/A

3. Has there been any past incineration of hazardous waste on-site?

Yes  No  N/A

3a. Is any incineration of hazardous waste planned during remediation activities? (If NO for 3 & 3a, go to #4)

Yes  No  N/A

3b. What type of hazardous waste has been incinerated?

N/A

3c. Is this incineration an ongoing operation?

Yes  No  N/A

4. Has evidence been observed of waste being released to the environment (e.g., stained soil, dead vegetation, waste piles, excavations, discarded drums/containers, etc.)? If YES, describe the evidences observed.

Yes  No  N/A

### 3. INVESTIGATION DERIVED WASTE

1. Are there any containers, drums, tanks, pails or dumpsters currently on the site that hold IDW?

Yes  No  N/A

1a. Are the containers clearly marked that the containers are IDW?

Yes  No  N/A

1b. Are they dated? (Note: This is not strictly necessary if tested and found to be non-hazardous but it is a good practice, especially if contents have not yet been analyzed.)

Yes  No  N/A (see Photo 11)



1c. Is there any indication on the containers that testing has determined that the IDW is not hazardous waste?

Yes  No  N/A

Labels state the soil is not hazardous pending analytical results.

1d. If NO, can the site manager confirm that laboratory results confirm that the IDW is not hazardous waste or that it is scheduled for sampling to make this determination?

Yes  No  N/A

1e. Are the containers in good condition?

Yes  No  N/A

1f. Is there any sort of protection from damage by construction/remediation equipment?

Yes  No  N/A

Two of the drums are close to a building, but a number of drums are just out in the open near the shoreline.

1g. What are the plans to handle the IDW? (Although there is not a 90-day running clock on IDW, best management practices are the prompt disposal/removal of IDW, which usually contains hazardous constituents.)

Alan Leavitt of Northgate contacted Todd Miller, who stated they planned to remove the IDW after the monitoring wells were abandoned later this fall.

1h. Can it be spread on-site?

Yes  No  Unknown

1i. Does it need further testing?

Yes  No  Unknown

The drill cuttings generated during monitoring well installations in 2007.

1j. Does it need to be sent to a Subtitle D lined landfill or other disposal site permitted to take this type of waste?

Yes  No  Unknown

#### SECTION 4. AIR

1. Are there any remediation operations going on that may result in air pollution? (Above ground tanks, incinerator, boiler, water heater, etc.)

Yes  No  N/A

2. Does the equipment used in the remediation activities have or require any air pollution control permits?

Yes  No  Unknown

Work was conducted on behalf of the responsible party, General Mills.

3. Is any of the equipment generating dust or odors either on-site or off-site?

Yes  No  Unknown

4. Have any measures to control dust been taken?

Yes  No  Unknown

5. Are there any visible emissions from any stacks?

Yes  No  N/A

6. Has any type of waste been burned on the site?

Yes  No  N/A

7. Is any construction or demolition equipment with a non-road diesel engine used on site?

Yes  No  Unknown

7a. Does the equipment meet EPA emission standards?  
Unknown

7b. Does the facility allow motor vehicles to idle on-site?  
 Yes     No     Unknown

7c. Is the facility aware of the Idling Standard guidance?  
 Yes     No     Unknown

8. Is there any asbestos on site?  
 Yes     No     N/A

9. Is the facility undergoing or has it undergone any renovations or demolitions during the last 18 months which involve the removal or disturbance of asbestos-containing materials (ACM)?  
 Yes     No     N/A  
Asbestos abatement in the office building a historical structure being renovated for Brooks Street's offices, was completed last week.

9a. If so, describe how much asbestos was removed and where it was located (estimate volume in square feet or linear feet):  
19 bags or about 2 cubic yards of ACM around abandoned water pipes in the crawl space of the office building.

9b. If asbestos was removed, was notification provided to the State and to the EPA?  
 Yes     No     N/A

9c. Has the asbestos removal process followed the rules established by EPA under the National Emissions Standards for Hazardous Air Pollutants (NESHAP)?  
 Yes     No     N/A

9d. Were the rules established by OSHA (Occupational Safety and Health Agency) and EPA to protect the health of workers in contact with asbestos followed?  
 Yes     No     N/A

9e. How and where has the asbestos removed from the site been disposed of?  
The asbestos was transported as hazardous waste to Hay Road Asbestos Landfill located in Vacaville, California on June 27, 2008.

10. Does the site have, handle or emit any of the National Emission Standards for Hazardous Air Pollutants (NESHAP) chemicals other than asbestos (mercury, beryllium, vinyl chloride, benzene, arsenic, radionuclides)? If YES, describe the removal process or the anticipated removal process.  
 Yes     No     N/A  
Floyd Miller said there are still some mercury lamps remaining. These are considered "Universal Waste" and will be properly disposed of prior to renovation/demolition activities.

## SECTION 5. WASTEWATER

1. Did any remediation activities being conducted at this site generate wastewater?  
 Yes     No     N/A

2. How is the wastewater disposed of? (Receiving stream, municipal sewer system or a subsurface disposal system (e.g. septic tank, well, cesspool drywell, etc.)  
To the municipal sewer authority under a sanitary sewer permit.

3. Is the wastewater treated prior to being discharged?  
 Yes     No     N/A  
Sediment was removed.

4. Does the site have any type of water permit for its discharges?  
 Yes     No     N/A

5. Does the site have any floor drains?

Yes     No     N/A

6. Is there any indication that process materials such as cleaners, solvents, paints, lubricants, etc., are escaping through the floor drains?

Yes     No     N/A

7. Are materials stored in a manner that leaks or spills could enter the floor drains?

Yes     No     N/A

### SECTION 6. STORMWATER

1. Are any activities being conducted at the site potentially contaminating stormwater?

Yes     No     N/A

2. Are there materials stored outside that could come in contact with precipitation and generate contaminated runoff?

Yes     No     N/A

3. Are there catch basins, drains, culverts, ditches, etc., on the property intended to convey stormwater?

Yes     No     N/A

3a. If so, describe:

There are drains/catch basins leading to culverts that discharge directly to the Mare Island Strait (see Photo 12).

3b. Describe engineered controls and if the stormwater is conveyed to an (a) on-site or off-site treatment facility, (b) combined sewer, (c) separate storm sewer, (d) separate sanitary sewer, or (e) surface water body?

Mare Island Strait

4. Are the stormwater discharges covered by a permit or has the discharger applied for a permit?

Yes     No     N/A

Grading permits were applied for to conduct the grading and excavation work. The contractor posted bond and the backfill was compacted back into the excavation. No stormwater discharge permit was required.

### SECTION 7. LAND DISTURBANCE ACTIVITIES

1. Is there a land disturbance permit for remediation activities?

Yes     No     N/A

There was a grading permit to do grading and excavation of contaminated soil.

1a. If so, where is the permit located on the site?

No longer being conducted.

1b. What are the inspection and maintenance procedures for the erosion control features (silt fencing, check dams, retention basins)?

Unknown – conducted by RP – some silt fencing still on the Site.

2. Is there a land disturbance permit for construction activities?

Yes     No     N/A

2a. If so, where is the permit located on the site?

N/A

2b. What are the inspection and maintenance procedures for the erosion control features (silt fencing, check dams, retention basins)?

N/A

### SECTION 8. TOXIC SUBSTANCES

1. Is there any evidence of liquid-filled electrical equipment (transformers, capacitors, etc.) on the site that may contain PCBs? If so, describe type of equipment.

Yes  No  N/A

Floyd Miller told us that analysis of the outside transformer in the substation did not contain PCBs, although it was not visibly tagged as not having PCBs.

2. Is there any evidence of spills or leaks from transformers, capacitors, or other liquid-filled electrical equipment that may contain PCBs?

Yes  No  N/A

2a. If so, describe type of equipment and spill or leak:

N/A

3. Are there any PCB items (equipment, drums of waste or other containers) in storage for disposal?

Yes  No  N/A

3a. If so, where are these items being stored, and what is their condition?

N/A

3b.

What are the plans for disposal?

N/A

### SECTION 9. WETLANDS

1. On-site, are there any streams, ponds, or other water bodies; vegetated areas with standing water; or areas with mucky, peaty, or saturated soil?

Yes  No  N/A

However, they are very small, totaling ~1/10 acre in 2 separate locations at the base of the cliffs. Additionally there is a very limited amount (+/- 300 ft<sup>2</sup>) of coastal salt marsh along the shoreline.

1a. If YES, have any of these areas been disturbed by waste/refuse disposal, storage of materials, ditching or filling?

Yes  No  N/A

1b. If YES, briefly describe:

N/A

2. If any activities altered the wetlands, did the site obtain a federal CWA section 404 permit or any other state or local permit authorizing these activities? If so, describe wetland issues in greater detail.

Yes  No  N/A

Depending on the redevelopment plans, the wetland areas may not be disturbed. If they are, the proper permits/mitigation will be conducted as necessary.

### SECTION 10. UNDERGROUND STORAGE TANKS

1. Does the site currently have underground storage tank(s) with greater than 10% of its volume below ground?

Yes  No  N/A

1a. If YES, how many tanks are on site?

N/A

1b. Are they currently in use?

Yes  No  N/A

1c. Are the tanks registered with the State?

Yes  No  N/A

1d. When were they installed? (If unknown, estimate installation date.)

N/A

1e. What types of materials are/were stored in each tank?

Diesel, gasoline, heating oil, fuel oil

1f. Is there any evidence of tank leakage or spillage?

Yes  No  N/A

Sampling conducted showed releases to both soil and groundwater.

2. Does the site have any out-of-service underground storage tank(s) that have been permanently closed?

Yes  No  N/A

2a. If so, have they been removed?

Yes  No  N/A

2b. How many are/were there and when were they removed?

Underground Storage Tanks					
Location	Contents	Size gallons	Estimated Date of Use	Source	Status
Northwest of New Warehouse building	Diesel fuel	1,000	1966-1987	Solano County Files	Removed in April 1987, State approved NFA in 1996.
South of Garage building	Diesel fuel	1,000	Unknown-1987	Solano County Files	Removed in April 1987, State approved NFA in 1996.
Northwest of New Warehouse building	Diesel fuel	5,000	1980-1988	Solano County Files	Removed in January 1988, State approved NFA in September 1996
Northwest of New Warehouse building	Diesel fuel	5,000	1980-1988	Solano County Files	Removed in January 1988, State approved NFA in September 1996
Northwest of the Mill/Old Warehouse building	Waste oil	250	Unknown-1988	Solano County Files	Removed in January 1988. State approved NFA in September 1996. Additional soil remediation completed in 2006.
Northwest of the Mill Run building	Diesel fuel or gasoline	1,000	1930s	Solano County Files	Removed in November 1988. State approved NFA in September 1996.
South of the Truck Loading building	Heating oil	32,000	1930s	Solano County Files	Closed in place in April 1993. State approved NFA in September 1996.
West of the plant residence	Heating oil	250	Unknown-2002	Solano County Files	Removed in April 2002
On wharf area (western portion of property)	Fuel oil	100	1930s	1938 Sanborn	Removed in January 2006
On wharf area (western portion of property)	Fuel oil	100	1930s	1938 Sanborn	Removed in January 2006
West of the garage building	Gasoline	280	1930s	1938 Sanborn	Removed in January 2006
West of the garage building	Gasoline	280	1930s	1938 Sanborn	Removed in January 2006
West of the Old Warehouse	Gasoline	10,000	1930s	1938 Sanborn	Removed in January 2006

The Northgate Phase I ESA also listed the ASTs on the Site, which are listed in the table below.

Above Ground Storage Tanks				
Location	Contents	Estimated Date of Use	Source	Size (Gallons)
Southeast of the New Warehouse in the vicinity of T-7	Fuel oil	1900s through 1920s	1901-1919 Fire Insurance Maps	Unknown
Southeast of the New Warehouse in the vicinity of T-7	Fuel oil	1900s through 1920s	1901-1919 Fire Insurance Maps	Unknown
Southeast of the New Warehouse in the vicinity of T-7	Fuel oil	1940s through 1970s	1944-1970 Fire Insurance Maps	Unknown

Location	Contents	Estimated Date of Use	Source	Size (Gallons)
Northwest of New Warehouse building	Diesel fuel	Installed in 1988 to replace T-3 and T-4	Solano County Files	6,000
Northwest of New Warehouse building	Diesel fuel	Installed in 1988 to replace T-3 and T-4	Solano County Files	6,000
Northeast of the Mill Run in the vicinity of T-6	Waste oil	1980s or 1990s	Solano County Files	550
Eastern side of the Grain Elevator Building	Mineral oil	1990s	Solano County Files	7,000

2c. Was notification of UST closure submitted to the State?

Yes     No     N/A

2d. If YES, has closure been accepted?

Yes     No     N/A

2e. Is there any additional assessment or remediation work required before closure standards can be met?

Yes     No     N/A

The groundwater on the leasehold parcel required a year's worth of quarterly monitoring. During excavation activities, silica gel clean up was used on the samples, which separates naturally occurring oils and greases from those related to petroleum products. For some reason this was not done in the first quarter monitoring and there were TPH hits. The regulatory oversight agency was contacted and wells were re-sampled, with a significant decrease in levels after analyzing the silica gel extraction. All subsequent sampling has utilized silica gel clean up and have been below standards. The fourth quarterly sampling has been conducted by Malcolm Pirnie, but results were not yet available at the time of the Site visit. However, later email discussions with Alan Leavitt revealed that the fourth quarter results were also below standards and that General Mills had sent in an application for a NFA for non-residential use in September 2008.

#### SECTION 11. EMERGENCY PLANNING AND COMMUNITY RIGHT-TO-KNOW ACT

1. Has the site had a release of a hazardous substance in excess of reportable Superfund quantities within the last year?

Yes     No     N/A

1a. If YES, what was the substance and approximate quantity?

N/A

1b. Was the EPA/State notified?

Yes     No     N/A

1c. Has the incident been closed?

Yes     No     N/A

#### SECTION 12. HEALTH AND SAFETY (H&S) ISSUES

1. For remediation activities: Who is the person in charge of H&S on the site?

Todd Miller of Malcolm Pirnie, consultant to General Mills.

1a. Is there a site-specific H&S plan in effect for remediation work onsite?

Yes     No     Unknown

But it is expected that Malcolm Pirnie would have produced one.

1b. If so, where is it located?

Remediation no longer being conducted.

1c. If work is to be performed under OSHA HAZWOPER regulations, are staff appropriately trained, and is there documentation of that training available on the site?

Yes     No     Unknown

1d. If so, where is it located?

Unknown

1e. Was there an initial "kick-off" safety orientation meeting held in advance of the beginning of field work?

Yes     No     Unknown

1f. Are there any continuing H&S meetings held during the remediation project?

Yes     No     Unknown

1g. Is there documentation that regular safety meetings are occurring/have occurred?

Yes     No     Unknown

1h. If so, where is it located?

Unknown

1i. Have there been any incidents (personal injury resulting in lost time or that are OSHA-reportable or property damage greater than \$5,000)?

Yes     No     N/A

1j. If so, provide details:

N/A

2. For a clean construction site (if applicable): Who is the person in charge of H&S on the site?

N/A

2a. Is there either a site-specific or corporate H&S plan available on site?

Yes     No     N/A

2b. If so, where is it located?

N/A

2c. Was there an initial "kick-off" safety orientation meeting held in advance of construction activities at the site?

Yes     No     N/A

2d. Are there any continuing H&S meetings held during this construction project?

Yes     No     N/A

2e. Is there documentation that regular safety meetings are occurring/have occurred?

Yes     No     N/A

2f. If so, where is it located?

N/A

2g. Have there been any incidents during construction activities (personal injury resulting in lost time or that are OSHA-reportable or property damage greater than \$5,000)?

Yes     No     N/A

2h. If so, provide details:

N/A

3. Are there visitor safety guidelines that protect the property and promote site safety? (Note: guidelines should be readily available to visitors)

Yes  No  N/A

The site is restricted, however, and visitors are always escorted.

4. Are there documented procedures for appropriate response in the event of an emergency? (Note: procedures should be readily available to appropriate responders)

Yes  No  N/A

### SECTION 13. GENERAL SITE OBSERVATIONS AND SUSTAINABILITY

1. Is there any evidence of environmental impacts that have not been addressed? Possible examples include the following:

1a. Vegetation damage in the surrounding area

Yes  No  N/A

None noted.

1b. Odors in the surrounding neighborhood

Yes  No  N/A

1c. Poor water quality in streams

Yes  No  N/A

1d. Wildlife noted

Yes  No  N/A

A turkey vulture, Canadian geese, and seagulls were noted.

2. Was there any evidence of possible excessive occupational exposures that should be referred to OSHA?

Yes  No  N/A

3. Do any of the remediation/demolition activities being conducted at the site produce materials that can be reused or recycled?

Yes  No  N/A

3a. If so, are these materials being reused or recycled? (If YES, go to 3a; if NO, go to 3c)

Yes  No  N/A

3b. If so, describe:

Yes  No  N/A

Per California and local municipal guidelines a minimum of 60% of demolition debris and upwards of 90% will be reused/recycled. This will include concrete, metal, and asphalt.

3c. If not, describe possible reuse/recycling activities that could be implemented:

N/A

### SECTION 14. ENVIRONMENTAL REGULATORY ISSUES

1. Name the agencies involved in overseeing the remediation at the site (CERCLA, RCRA, Voluntary Remediation Program, State Water Quality Agency (groundwater/NPDES/other), UST Program, Municipal/County Agencies, Corp of Engineers, Coastal Management, other):

UST closure and remediation is delegated to the local county by the state's Regional Water Quality Control board. In this instance the Solano County Department of Resource Management (SCDRM) is the oversight agency. I asked Alan Leavitt who was responsible for oversight of AST releases and he told me the local fire department and health department. More of the ASTs and USTs were in the same general vicinity and the assessment would have discovered a release from either type of tank. The only above ground tank not sampled was one located behind the grain elevator building. Floyd told me it contained mineral oil that was sometimes misted on the wheat grain for dust control. It had secondary containment and was on concrete without any evidence of spilling. This one was not sampled as there was no evidence of release.



2. What is the regulatory status of the RECs/AOCs identified at the site (Phase I Identification, Phase II Assessment, Complete Assessment, Corrective Action Work Plan, Corrective Action Implementation, No Further Action documentation from regulatory agency)?

The USTs for the 25-acre Fee Parcel were granted a No Further Action determination for the 10 USTs excavated and one concrete tank abandoned in place on March 2, 2007. A NFA request has been submitted to SCDRM for the Leasehold.

3. What is the working relationship with the regulatory oversight agencies?

The petroleum impacted soil on the 10-acre leasehold properties was completed in 2007 with an ex situ oxidation of the soil on the Site. An approval of the soil remediation was issued by SCDRM on May 7, 2007 prior to CBSV's closing on the Site. One year of quarterly ground water monitoring has now been completed, and General Mills has requested closure on the leasehold property as well (for non-residential use.)

4. Are there any upcoming timeframes/deadlines that may require an extension request to the regulatory oversight agency?

Yes  No  N/A

### SECTION 15. MISCELLANEOUS ISSUES

1. Are there any potential indoor air or worker risk issues?

Yes  No  N/A

Levels of residential petroleum contamination are too low for vapor intrusion issues. Arsenic is above residential use levels but well within naturally occurring levels. Engineering controls will be utilized for open spaces in the residential areas that exceed the risk-based residential levels even though it is naturally occurring.

2. Are there any wells on site other than monitoring wells?

Yes  No  N/A

2a. If so, describe them and their potential use:

N/A

2b. Are they planned to be kept?

Yes  No  N/A

3. Are there any well head protection measures for the monitoring wells on the site? If so, describe.

Yes  No  N/A

Well heads are flush-mounted with bolted covers. Apparently there was one water table measurement last fall that was anomalously high right after a rain event and ponding was noted. Told Northgate that any contractors they hired should receive that information along with a pre-qualification form in the pre-bid package. Brooks Street already knows this information.

### SECTION 16. ENVIRONMENTAL MANAGEMENT SYSTEM

1. Has Cherokee's Environmental Policy/Mission Statement been communicated to the field contractors? If so, describe how.

Yes  No  N/A

CIS had no involvement with the field contractors as General Mills is responsible for the environmental work at the Site. I did mention to Alan Leavitt that any sub-contractors that Northgate hired should receive this information along with a pre-qualification form in the pre-bid package. Brooks Street already knows this information.

2. Have environmental service providers been pre-qualified (e.g., pre-qualification form, statement of qualifications, marketing materials, etc.) using Cherokee's most recent format (available on the intranet)?

Yes  No  N/A

No, but Northgate Environmental has a Master Service agreement dated 9/14/07, which is uploaded on the intranet.

3. Has an Environmental Management Plan been developed?

Yes  No  N/A

3a. If so, when was it dated?

August 7, 2007

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3b. Does the Environmental Management Plan reflect current conditions and activities?

Yes     No     N/A

---

3c. If not, are there plans to update it?

Yes     No     N/A

Unknown. I would suggest waiting to update plan after SCDRM releases Ground Water monitoring report and hopefully grants a No Further Action, as that will complete the work on the recognized environmental conditions... Additionally, Cherokee is working to incorporate the EMP/updates with monthly development reports (MDRs). This asset was chosen to be part of the "pilot testing form MDRs and the first such MDR that includes the environmental updates should be available soon.

---

4. Have any environmental progress reports (or periodic cost-cap Insurance reports) been prepared?

Yes     No     N/A

---

4a. If so, what are the dates they were prepared?

Q3 2007 (10/07), Q4 2007 (1/08), Q1 2008 (4/08) and Q2 2008 (7/08)

---

4b. Have they been submitted to the Raleigh office?

Yes     No     N/A

---

5. Are the EMS documents (EMP, (quarterly) updates uploaded on the intranet?

Yes     No     N/A

---

6. Is a record of environmental manager qualifications available (e.g., partial resume) online? Is it up-to-date?

Yes     No     N/A

It appears to be up-to-date.

---

7. Does the site qualify for environmental liability protection (e.g., bona fide prospective purchaser, Innocent landowner)? If so, answer remaining questions.

Yes     No     N/A

---

7a. Has an administrative record been prepared to prove that it meets the applicable threshold criteria?

Yes     No     N/A

A draft BFPP checklist has been filled out, but the final review by Bill Lane of Kilpatrick Stockton has not been conducted.

---

7b. Are land use restrictions and institutional controls associated with response actions effective and in compliance?

Yes     No     N/A

The only restriction currently in place is that there shall be no groundwater usage on the fee parcel that received No Further Action status. Additional future construction workers and residents will need to be notified of the residual impacts to soil and groundwater.

---

7c. Has appropriate care been taken with respect to hazardous substances on site (including stopping continuing release, preventing future release and preventing exposure to previous release)?

Yes     No     N/A

That is the responsibility of General Mills.

---

7d. Is cooperation, assistance and access provided to response actions and natural resource restorations?

Yes     No     N/A

An access agreement was signed with General Mills for them to conduct the environmental abatement and remedial efforts.

---

7e. Have there been any information requests or administrative subpoenas? (Note: compliance documentation should be provided for any request)

Yes     No     N/A

---

7f. Has there been a discovery or release of hazardous substance that requires regulatory notice? (Note: regulatory notices should be available with project records)

Yes     No     N/A

---

7g. Are continuing obligation requirements documented in the Environmental Management Plan?

Yes     No     N/A

This EMP uses the previous template that did not include continuing obligations.

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8. Have environmental permits and the status of those permits been documented? (Note: the status of environmental permits should be detailed in the Environmental Management Plan)

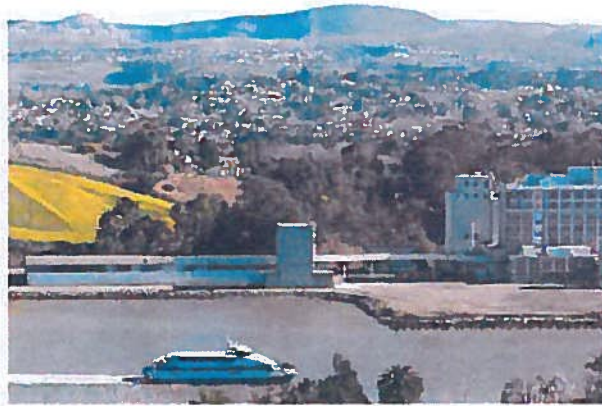
Yes     No     N/A

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**APPENDIX B**

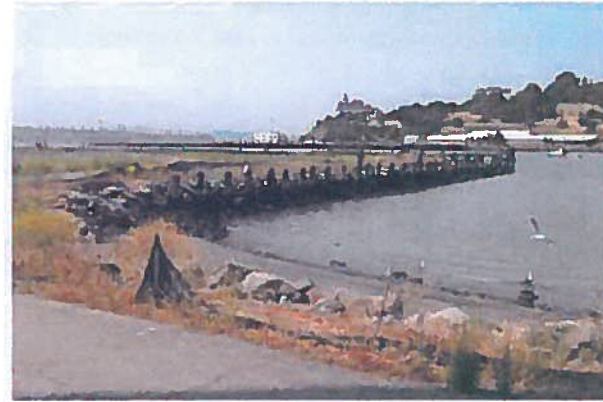
**Photographs**

**Cherokee Brooks Street Vallejo – Former General Mills Site  
Vallejo, California**



**Photo 1**

View from Mare Island across the strait. The eight-story flour mill lies on the Fee Lands, with Vallejo in the background. (Photo borrowed from the *Sperry Landing Sustainability Profile*)



**Photo 2**

The Leasehold juts out into Mare Island Strait (see plan view on Figure 1). Photo taken towards the southwest.



**Photo 3**

Elevations rise quickly behind the General Mills plant buildings towards the east.



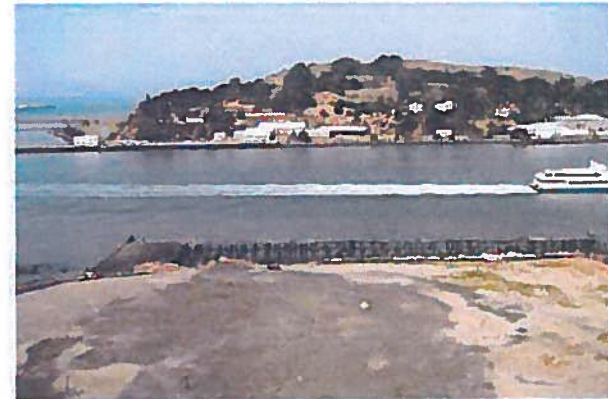
**Photo 4**

View of Mare Island Strait looking north from atop the flour mill.



**Photo 5**

**View to the southwest looking towards San Pablo Bay, which opens up to San Rafael and then San Francisco Bays further to the south (Photo from Investment Memo)**



**Photo 6**

**View of Mare Island directly across from the Site. The Baylink Ferry is headed north up the strait to the Vallejo Ferry Terminal about 1.5 miles north of the Site.**



**Photo 7**

**View to the south with a tower of the Carquinez Toll Bridge for I-80 in the distance. The Site has considerably more low land than the properties to the south of it.**



**Photo 8**

**Remains of the docks from the Starr Mill that operated at the Site from 1869-1895.**



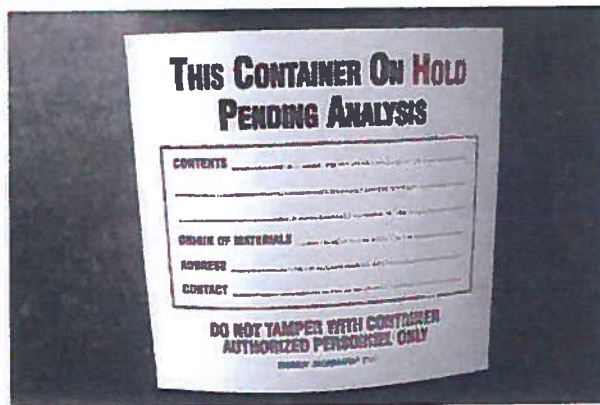
**Photo 9**

View of the area of former petroleum-contaminated soil, excavated by General Mills on the Leasehold. This area depicted in gray on Figure 1.



**Photo 10**

View of the historic office building from the top of the mill. Asbestos removal had been completed by the time of the Site visit. Brooks Street will move their offices to this location after renovations are complete.



**Photo 11**

Malcolm Pirnie's IDW Drums were labeled, but the labels were not filled in after almost a year on the Site.



**Photo 12**

Stormwater collected from drains and catch basins around the Site discharge directly to the strait.

