

October 10, 2022

Mr. Kevin Smith
13238 South Shell Avenue
Yuma, AZ 85367
Work: (619) 261-8200
E-mail: CanyonCapital@Yahoo.com

Subject: Proposal – Air Quality Support – CalEEMod Air Quality and Greenhouse Gas Study for a Self-Storage Facility in Calexico, CA

Dear Mr. Smith:

Thank you for this opportunity to assist you by providing air quality technical analysis services.

QUALIFICATIONS

Yorke Engineering, LLC (Yorke) was founded in 1996 to provide professional air quality and California Environmental Quality Act (CEQA) services to clients in government and industry. We have offices across the State in San Diego, Riverside, Los Angeles, Kern, Fresno, Merced, Ventura, Orange, and Alameda Counties. Yorke specializes in providing air quality and CEQA services throughout California. Since our founding, we have served over 1,550 clients, including real estate developers, general construction contractors, architectural firms, cities, counties, regional and municipal power plants, industrial processing firms, petroleum facilities, numerous cogeneration facilities, hospitals, landfill operators, biomass plants, recycling plants, and special districts with CEQA air quality requirements under the jurisdiction of city and county planning agencies. The CEQA Lead Agency establishes the significance criteria for the evaluation, and Lead Agencies often rely on guidance from responsible agencies like the Imperial County Air Pollution Control District (ICAPCD). Yorke specializes in applying the air quality requirements throughout the State of California.

We have performed approximately 7,500 air quality projects, including air quality planning such as for CEQA, emission quantification, permitting with health risk calculations, and customer negotiation assistance with the city and county planning agencies and the local air districts. Yorke has developed extensive knowledge of the California and federal air quality rules and regulations, as well as expertise in addressing complex permitting and CEQA planning issues.

Yorke staff has completed CEQA air quality, greenhouse gas (GHG), and construction noise impact assessments for a wide variety of commercial and industrial land use projects, such as office buildings, light industrial and warehouse buildings, retail shops and stores, restaurants, service stations, and truck stops. We have also evaluated institutional projects, such as medical centers, hospitals, assisted living facilities, churches, and neighborhood parks. Residential projects include Class 32 infill apartment and townhome buildings, master-planned communities, and affordable home projects, both single- and multi-family occupancy.

For more information on Yorke, please visit our website at www.YorkeEngr.com.

BACKGROUND AND PROJECT DESCRIPTION

We understand that the proposed development is a self-storage facility to be located on Frank Lee Boulevard in the City of Calexico, CA (the City) at Assessor's Parcel Number (APN) 059-541-003, which is within the ICAPCD. The "Town Center Industrial Storage Complex" will be located on Lot 5 of the "Town Center Industrial Plaza" development. The new facility will be 105,350 square feet on 6.11 acres and will have 679 storage units and 72 parking spaces for recreational vehicle storage.

CEQA SIGNIFICANCE EVALUATION CRITERIA

The analysis will support a CEQA Categorical Exemption (CatEx), Initial Study (IS), Negative Declaration (ND), or Mitigated Negative Declaration (MND) as applicable for this type of land use project subject to the following criteria:

- Air quality impacts will be evaluated against the ICAPCD's *Thresholds of Significance* contained in its *CEQA Air Quality Handbook: Guidelines for Implementation of the California Environmental Quality Act of 1970, as Amended (December 12, 2017)* for assessing projects subject to CEQA; and
- Because the ICAPCD does not list quantitative GHG thresholds in its *Guidelines*, GHG impacts will be evaluated against the adjacent Mojave Desert Air Quality Management District (MDAQMD) threshold of 100,000 short tons per year (90,700 metric tons per year) of carbon dioxide equivalent (CO₂e/yr) for land use or industrial projects.

SCOPE OF WORK

The scope of work includes an air quality and GHG analysis using the California Emissions Estimator Model[®] (CalEEMod) methodology. We will perform the following tasks as necessary:

Task 1 – Air Quality and GHG Impact Analysis

Yorke will collect project data and provide a project-specific air quality study that analyzes construction and operational emissions using CalEEMod, a public domain software developed by the California Air Pollution Control Officers Association (CAPCOA) in collaboration with the 35 California air districts specifically for land use development projects, with the capability to include stationary source equipment. This software program provides air basin-specific emissions estimates of air pollutants generated from construction activities, including dust from demolition and earthmoving, and project operation, including natural gas combustion and vehicle traffic. The emissions estimates will include criteria pollutants [i.e., volatile organic compounds (VOCs), nitrogen oxides (NO_x), carbon monoxide (CO), sulfur oxides (SO_x), and particulate matter less than 10 and 2.5 microns in size (PM₁₀ and PM_{2.5})] and GHGs [i.e., carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and CO₂e]. As the official assessment methodology for land use projects in California, CalEEMod will be relied upon for emissions quantification, which forms the basis for the impact analysis.

One set of modeling runs, including one initial and one final run, will be performed for the list of construction phases and equipment provided by the applicant, or using CalEEMod's default settings if construction data is not available. The resulting emissions estimates will be used to perform an initial significance evaluation of project impacts due to criteria pollutant and GHG

emissions. If the initial run shows that project impacts need to be mitigated to get below applicable significance thresholds, standard mitigation measures will be applied in the final run.

Final results from CalEEMod will be compared against corresponding mass emissions thresholds for criteria pollutants and GHGs to determine whether the project would have a significant impact during construction and/or operation.

Mitigation Measures (If Needed)

CalEEMod includes a number of basic mitigation measures that we normally activate by default for commercial and residential land use projects because they are generally required by rule or code. If the basic mitigation measures are not sufficient to pass a CEQA threshold, then optional mitigation measures in the CalEEMod software can be used. Yorke will discuss these mitigation measures to determine the most cost-effective method to meet the CEQA thresholds. If needed, these mitigation measures will be incorporated into the analysis. A few examples of mitigation measures available in CalEEMod are listed below:

- Newer construction equipment to reduce diesel engine NO_x and PM₁₀/PM_{2.5} emissions;
- Enhanced construction fugitive dust (PM₁₀/PM_{2.5}) suppression, such as extra watering;
- Staged application of architectural coatings to reduce daily VOC impacts;
- Enhanced Title 24 energy efficiency features to reduce indirect GHG impacts;
- Recycling programs to reduce off-site GHG impacts; and
- Transportation mitigation measures to reduce automobile dependency, etc.

Task 2 – Prepare Technical Letter Report

Yorke will prepare a brief Technical Letter Report outlining the project-specific CalEEMod analysis techniques and results. We will use our standard Technical Letter Report format customized for the particulars of the proposed project within the established environmental and regulatory settings of the local agencies relative to CEQA. We assume that any editorial review comments on the draft report will be provided in a timely manner for incorporation into the final report.

Deliverable: Draft and Final Technical Letter Report summarizing the CalEEMod analysis. The report will be provided electronically in Adobe Acrobat® (.pdf) format, ready for printing as many copies as needed for submittal to the Lead Agency.

SCHEDULE

We can commence work on this project upon receipt of Authorization to Proceed and receipt of requested information. The draft report can be issued within 15 business days after we have received all requested information and confirmed the information is accurate and complete.

COST ESTIMATE

We propose to perform this effort on a fixed price basis for **\$4,400**, as shown in Table 1.

Table 1: Project Cost Breakdown

Task	Description	Cost Estimate
1	Air Quality and GHG Impact Analysis	\$2,800.00
2	Prepare Technical Letter Report	\$1,600.00
Total Estimate		\$4,400.00

Assumptions

In preparation of our estimate, we have made the following assumptions:

- The applicant or fiduciary will provide requested information in a timely manner, and all information provided will be accurate and complete. The following data are needed to conduct the CalEEMod air quality and GHG analyses:
 - Dimensions of the project, i.e., area of property, building, paved surfaces, and landscaping (architectural drawings);
 - Description of demolition activities, including dimensions of demolished structures and paved areas, if applicable;
 - Project-related traffic, i.e., the daily number of passenger vehicles and delivery trucks associated with the project, typically from a traffic analysis conducted by others; otherwise, defaults can be assumed; and
 - Energy and water savings features that are planned to be incorporated into the project that can be cited as GHG emission mitigation measures, if available; otherwise, defaults can be assumed.
- Meetings with the City, County, air district, or Lead Agency, if needed, will be limited to one teleconference.
- Although not expected, the following tasks can be performed on a time and materials basis, if requested, and would be proposed separately:
 - Analysis of project alternatives;
 - In-person meetings, site visits, or attendance at public hearings;
 - Cumulative impact analyses;
 - Addressing the CEQA Appendix G Air Quality and GHG questions as applicable to the project;
 - Preparation of an IS, ND, or MND comprising the 21 CEQA Appendix G resource area topics;
 - Field measurements of ambient air quality, mobile source emissions, or stationary sources at or near the project site;
 - Responses to comments from the Lead Agency, Responsible Agency, or the public;

- Revisions to the report requested by the Lead Agency, Responsible Agency, or the public;
- Supplemental manual emission calculations;
- Air quality dispersion modeling for demonstrating that localized neighborhood-scale impacts of criteria pollutants are below air district thresholds;
- Air toxics dispersion modeling and health risk assessment (HRA) for project construction and/or operation;
- Emissions estimates, air toxics dispersion modeling, and mobile source HRA for street and highway traffic impacts upon occupants of the project site;
- CO “hot spot” analyses;
- Air district permitting of stationary source equipment;
- Implementation of mitigation measures identified in the Technical Letter Report [e.g., acquisition of Emission Reduction Credits (ERCs), carbon credits, or other types of certified criteria pollutant or GHG offsets or allowances];
- Changes to the impact assessment and Technical Letter Report necessitated by changes to the project design and/or equipment specifications;
- Updates to the impact assessment and Technical Letter Report due to project delays (aging) beyond the control of Yorke; and
- Special or custom report formats required by the Lead Agency.

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AUTHORIZATION TO PROCEED

If you concur with our proposal, you may simply fax [(949) 248-8499] or e-mail back this signed contract for us to begin, or if you prefer you may incorporate this proposal into your own purchase order or contract. The terms and conditions for performing this effort are contained in Attachment A.

Thank you again for this opportunity to assist in this project, and we look forward to working with you. If you have any questions, please call me at (949) 248-8490.

Sincerely,



Brian A. Yorke
Dir. of Operations & Marketing
For Contract Approvals: Contracts@YorkeEngr.com
For Proposal/Technical Questions: BYorke@YorkeEngr.com

Signature of Agreement

Date

Printed Name and Title

ATTACHMENT A

Yorke Engineering, LLC Terms and Conditions

Scope of Services

Yorke Engineering, LLC (“Yorke”) agrees to perform the services particularly described in the agreement to which these terms are attached. The services are to be performed by Yorke as a consultant to Mr. Kevin Smith (CLIENT).

Compensation

CLIENT agrees to pay, and Yorke agrees to accept, compensation in accordance with the agreement to which these terms are attached. Payment will be made Net 15 days.

Responsibility of Yorke Engineering

Yorke is an independent contractor. CLIENT shall not direct the services or the means for accomplishment of the services to be performed. CLIENT, however, retains the right to require the services provided by Yorke to meet specific standards and requirements of the project without regard to the manner and means of accomplishment thereof.

Termination

CLIENT may terminate this contract for its convenience. Yorke shall be compensated for services provided to the date of termination. If Yorke persistently fails to provide the services in a manner satisfactory to CLIENT, then CLIENT may terminate this contract. Yorke shall be compensated for completed and useful services provided to the date of termination.

Choice of Law/Jurisdiction

This contract shall be subject to the laws of the State of California. Jurisdiction of litigation shall be in that state.

Severability

If any part of this contract is found to conflict with applicable laws, such part shall be null and void, but the remainder of this contract shall be in full force and effect.

Limitation of Liability

It is specifically agreed by and between Yorke and CLIENT, as a reasonable allocation of risks hereunder, that in no event shall Yorke’s liability (including Yorke’s employees, subcontractors, and consultants) to CLIENT exceed:

- A. As to liabilities relating to defects of design, remedial action, failure to render services, ordinary negligence, errors and omissions, permitting, and other similar actions arising under any individual project, not more than the dollar value of the applicable project; or
- B. As to all other remaining liabilities of every kind or nature, the sum of \$5,000.00 in aggregate for all such liabilities under this contract.

CLIENT agrees that any claim for damages filed against Yorke by CLIENT or any contractor or subcontractor hired directly or indirectly by CLIENT will be filed solely against Yorke or its

successors or assigns and that no individual person shall be made personally liable for damages, in whole or in part.

All claims by CLIENT shall be deemed relinquished unless filed within one (1) year after substantial completion of the services.

Consequential Damages

Yorke shall not be liable to CLIENT for any incidental, indirect, special, or consequential damages (including but not limited to damages for loss of use, power, business good will, revenue, or profit, nor for increased expenses or business interruption) arising out of or related to the performance or non-performance of this contract and related project.

Non-Solicitation and Recruiting Fees

During the term of this agreement and for 2 years from the date the agreement is terminated, CLIENT will not directly or indirectly, on their own behalf or on behalf of or in conjunction with any person or legal entity, recruit, solicit, or induce, or attempt to recruit, solicit, or induce, any Yorke employee for employment who is involved in the performance of their duties for the CLIENT.

If a violation of the Non-Solicitation portion of this agreement is discovered, or the CLIENT chooses to hire the aforementioned Yorke employee, the CLIENT agrees to pay Yorke a fee equal to an amount of 75% of the Yorke employee's current salary within 10 business days as a recruiting fee.

Indemnity

Yorke agrees to indemnify CLIENT, its directors, employees, and officers, from and against only those direct claims, causes of action, liabilities, costs, or expenses, including reasonable attorneys' fees (excluding consequential and indirect damages) finally awarded and attributable directly to bodily injury, death, or property damage that CLIENT incurs as a result of actions and that arises directly out of and to the extent of Yorke's negligent acts or willful misconduct in and occurring during the performance of this contract. CLIENT shall provide Yorke reasonable assistance in defense or settlement of such claims. All of the indemnity and other provisions of this paragraph shall also reciprocally apply so that CLIENT is the indemnitor and Yorke is the indemnitee in a corresponding indemnity by CLIENT in favor of Yorke. In the event any liability to a third party results from the joint, concurrent, or combined negligence of Yorke and CLIENT, then Yorke and CLIENT will only indemnify, defend, and hold each other harmless to the extent of the indemnitor's allocable portion of such joint, concurrent, or combined negligence. Yorke shall not be responsible for any damages, costs, or other liability arising out of precontract or site environmental problems or for any liabilities that may arise from the non-negligent performance by Yorke of the work.

Integration

The terms and the agreement to which they are attached represent the entire understanding of the parties as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters. This contract may not be modified except in writing, signed by both parties.

Revision 2, 7/22/2015