



GeoTek, Inc.

1384 Poinsettia Avenue, Suite A Vista, CA 92081-8505
(760) 599-0509 Office (760) 599-0593 Fax www.geotekusa.com

January 26, 2023
Project No. 3865-SD

Las Posas, LLC
c/o Avenue Secured Capital Group
2555 Locust Street
San Diego, CA 92106

Subject: **Due Diligence Environmental Review**
A Portion of Assessor's Parcel Number (APN) 219-162-57-00
225 North Las Posas Road
San Marcos, California

References: See Page 7

Dear Mr. Tate:

In accordance with your request, GeoTek, Inc. (GeoTek) has prepared this Due Diligence Environmental Review for the subject project. The general review and review comments are based on review of the referenced reports prepared by Terracon (2019) and Stantec (2021) and GeoTek's experience in the vicinity and with this type of project.

Site Description and Proposed Development

The site is the eastern portion of Assessor's Parcel Number (APN) 219-162-57-00, which is located and addressed as 225 North Las Posas Road, in the City of San Marcos, San Diego County, California, see figure 1 (Site Location Map). The Site Location Map differentiates the site vs the legal address of 225 North Las Posas Road. This environmental due diligence is focused only on the site and not entirety of 225 North Las Posas Road.

The site is currently vacant land. The site is bounded by a railroad easement to the north, by a multifamily residential property to the east, by Armorlite Drive to the south, and George's Burgers Restaurant (217 North Las Posas Road) and AT&T facility (225 North Las Posas Road) to the west. In the immediate vicinity of the site, West Mission Road, followed by a Chevron gas station (1290 West Mission Road) and Palomar Community College (1140 West Mission Road) are located to the northeast; a vacant lot and Palomar Station apartments complex (1257 Armorlite Drive) are located to the south beyond Armorlite Drive; and Palomar Station apartments complex (1250 Armorlite Drive) is located to the southeast.

GeoTek anticipates that the proposed development will consist of four levels of wood-framed apartment homes above a concrete podium consisting of vehicular parking and commercial space. The first level is anticipated to be at grade with Armolite Drive and AT&T parking lot. Although grading plans have not been provided, GeoTek anticipates that cuts and fills of up to approximately 13 to 19 feet may be needed (not including remedial grading) to bring the site to design grades

Geologic/Geotechnical Conditions

The site is located in an area geologically mapped by Kennedy (2008) to be underlain by tonalite (Kennedy, M.P.; and Tan, S.S., 2008). Geotechnical conditions on a due diligence level (desktop reconnaissance) was performed by GeoTek concurrently and separate to this environmental due diligence.

Report Review

Phase I Environmental Site Assessment (Terracon, 2019)

Terracon issued a *Phase I Environmental Site Assessment* report for the subject parcel dated May 10, 2019. It should be noted that Terracon's Phase I report included the entirety of 225 N. Los Posas and did not differentiate between the site and the portion of the property being retained by AT&T.

Terracon provided a summary of the findings, and these are repeated below:

Site Reconnaissance

During the site reconnaissance, Terracon reported that one emergency generator, one natural gas generator, one portable stand generator and an associated 200-gallon diesel belly tank (aboveground), two 120-ton chiller units, one unmanned telecommunications shelter, three 5-gallon containers, safety data sheets, interior floor drains, one pad mounted transformer and one solid-waste dumpster were observed.

Terracon reported that Recognized Environmental Concerns (RECs) were not identified with the abovementioned features. Additionally, one 5,000 gallon diesel UST was identified on the north side of the site building. This UST is further discussed in the *Records Review* section of this report.

Based on Terracon's review of the adjoining properties, Terracon stated that no RECs were observed.



Historical Information

Based on review of historical information, the legal lot consisted of undeveloped and/or vacant land from as early as 1893 through the mid-1960's, when a commercial building and associated ancillary building were built on the west portions of the property. By the late 1970's, the central ancillary building was cleared, and the commercial building underwent successive expansions in the late 1970s and the mid-1990s. Prior occupants included Western Electric, Pacific Bell and Direct TV.

Records Review

Selected federal and state environmental regulatory databases, as well as, responses from state and local regulatory agencies were reviewed. The legal lot was identified in the regulatory database. AT&T California, Pacific Bell and Verizon Wireless (225 North Las Posas Road) was listed with the following databases:

- FINDS (Facility Index System/Facility Registry System)
- ECHO (Enforcement & Compliance History Information)
- HAZNET (Facility and Manifest Data)
- RCRA-SQG (Resource Conservation and Recovery Act – Small Quantity Generator)
- UST (Underground Storage Tank)
- HIST UST (Hazardous Substance Storage Container Database)
- SWEEPS (Statewide Environmental Evaluation and Planning System)
- San Diego County HMMD (San Diego County Hazardous Materials Division)

Based on review of the RCRA and HAZNET listing, Pacific Bell was permitted as a large quantity generator of hazardous waste in 1981 and a small quantity generator of hazardous waste in 1996 with no violations reported. Wastes generated included aqueous solutions with total organic residue less than 10%, unspecified aqueous solution, waste oil, mixed oil and unspecified oil-containing waste between the years 1994 and 2015.

Based on a review of the FIND and ECHO databases, violations were not reported.

Based on review of records from the San Diego County Department of Environmental Health (SDCDEH), three (3) diesel containing UST's (one 550 gallon, one 1,000 gallon and one 5,000 gallon) were identified on the site. The location and status of the 550-gallon UST was reported to be unknown. The 1,000 gallon UST was reported to have been removed in 1994, with a soil assessment completed and closure from SDCDEH. The 5,000 gallon tank was reported to still be in existence and was installed in 1994, with upgrades to the piping and sump performed in 1998. The 5,000 gallon tank was observed in Terracon's site reconnaissance.

Terracon concluded the report with the following RECs:

- The absence of information regarding the location of and status of the 550 gallon diesel UST represents a significant data gap to the site and an REC. Further investigation should be performed.
- Although the provided tank gauging, pressure test records and state compliance records suggest that leaks have not been recently identified or reported for the 5,000 gallon UST, in Terracon's experience, regardless of controls, UST system leaks commonly occur and sometimes they occur below the leak level detection rate limit. Based on the duration of operations associated with the 5,000 gallon UST (1995 through present) and absence of a subsurface investigation, the existing 5,000 gallon UST represents a REC to the site.

Terracon further reported that the remaining facilities listed in the database report do not appear to represent RECs to the site at this time based upon regulatory status, apparent topographic gradient and/or distance from the site.

Phase II Environmental Site Assessment (Stantec, 2021)

Stantec issued a *Phase II Environmental Site Assessment* report for the subject project (i.e., a portion of APN 219-162-57-00) on March 23, 2021.

Stantec reported that the following identified RECs were identified in connection with the subject project in a Phase I ESA prepared in March 2021. (*Note: GeoTek was not provided with the Phase I ESA report prepared by Stantec for this review.*)

- A 550-gallon UST was reportedly installed at the project site in the northwestern portion of the site in 1972. No leaks or spills have been reported for the site; however, the presence of the UST constitutes a REC for the site. Stantec recommended performing a ground penetrating radar (GPR) survey to verify if the UST remains on the site. In addition, Stantec recommended that a soil and soil vapor assessment be completed at the UST location to evaluate the subsurface conditions beneath the site.
- Railroad spurs are located adjacent to the north of the site. Herbicides are commonly applied to railroad alignments and heavy metals associated with herbicidal application are commonly found in these areas. Due to the presence of the spurs, Stantec recommended performing a Phase II subsurface investigation to sample and analyze shallow soil samples along the site property boundary nearest the rail line for the presence of heavy metals. The need for sampling for these compounds given the intended use is for protection of construction workers during development of the paths when exposed to dust. The second issue is the potential for off-site removal of soils, which will require profiling by chemical analysis to determine the proper location for disposal.

In order to address the above noted RECs, Stantec oversaw a ground penetrating radar (GPR) survey performed on February 22, 2021 by GPRS, a utility subcontractor, to locate any suspected UST or UST-related piping or other anomalies remaining on the site. The scope of work was reported to consist of scanning an area measuring 15 feet by 30 feet in the northwestern portion of the site. An anomaly which may be a potential UST was detected at approximately two to four feet in depth in the area scanned.

Stantec reported that the GPR survey identified an anomaly which may be the 550-gallon UST in the northwest portion of the site at approximately two to four feet in depth. Stantec recommended removing and disposing of the UST in accordance with all applicable laws.

Additionally, Stantec advanced four soil borings in the western perimeter on March 1, 2021. Two of the borings were reported to have encountered refusal at approximately two feet below the ground surface (bgs) and were abandoned. Soil samples were collected from two locations along the northern perimeter at one-, two- and three-feet bgs to evaluate the adjacent railroad tracks and were submitted for analysis of organochlorine pesticides (OCPs), lead and arsenic. The deeper samples (two- and three-feet bgs) were placed on hold pending analysis of the shallow soil samples. The two remaining soil borings were advanced in the vicinity of the anomaly on the northwestern corner of the site. Due to difficult drilling conditions, the soil vapor probe for one of the borings was set at 3.5-feet bgs and the probe for the second boring was set at 4-feet bgs.

The results of the soil samples collected along the northern property line near the rail line were reported to be “non-detect” for arsenic and OCPs with the exception of a minor detection of heptachlor at 0.0014 mg/kg, which is well below screening levels for residential use. Lead was reported to have been detected at 4.8 and 7.2 mg/kg in two (2) of the samples (S-1 and S-2). Stantec reported that because all detected metal concentrations are within typical California naturally-occurring background concentration ranges and do not exceed Department of Toxic Substance Control (DTSC) Hero Note 3 or Environmental Protection Agency (EPA) Regional Screening Levels (RSLs) for residential use, the adjacent railroad tracks do not represent a REC to the site and nor further assessment appears warranted.

Total Petroleum Hydrocarbons (TPH) as vapor and various volatile organic compounds (VOCs) were detected at low concentrations in the soil vapor borings. These concentrations were reported to all be below the most conservative screening level between the USEPA Region 9 RSLs and DTSC Hero Note 3 with an attenuation factor of 0.03, with the exception of benzene. Benzene was reported to be detected at 5.7 micrograms per cubic meter ($\mu\text{g}/\text{m}^3$) in one of the soil vapor borings (SV-2) which is above the RSL with an attenuation factor of 0.03, but below the RSL with an attenuation factor of 0.001. Given the concentration was only slightly above the RSL with an attenuation factor of 0.03 (which is not the official screening level and which has not been adopted by any state agency), and well below the risk-based screening level of 97 $\mu\text{g}/\text{m}^3$, this single detection is considered a *de minimis* condition and no further assessment appears warranted for soil vapor.

Summary of Environmental Conclusion Presented by Others

The 550-gallon UST, the 5,000-gallon UST, and railroad spur were presented as REC's by either Terracon or Stantec or both. The phase II investigation by Stantec concluded the 5,000-gallon UST and railroad was no longer an REC. However, Stantec's hypothesized location of the 550-gallon UST should be further evaluated.

Environmental Site Reconnaissance and Discussion

On December 14, 2022, Hal Hays Construction, Inc. was contracted by others (property owner of 225 N. Las Posas Road), to evaluate the anomaly identified by Stantec's Phase II investigation. The excavation was performed with a conventional rubber-tired backhoe with a 24-inch wide, smooth edge, bucket. The excavation was approximately six feet long and three feet wide. Shallow refusal by granitic rock (Tonalite) was encountered at an approximate depth of two to three feet below grade. A weathered core stone was encountered at the approximate location of the anomaly identified in Stantec's Phase II investigation. A second core stone was encountered approximately six feet north of the recorded anomaly. To further evaluate a potential UST, the excavation was lengthened to the north and south for a total linear excavation length of approximately twelve feet. North and south of the excavation, core-stones extruded from the subsurface. The excavation encountered a thin layer of topsoil over weathered Tonalite and encountered non-rippable rock at a depth three feet, but became as shallow as one foot above the core-stones.

Based on GeoTek's review of Stantec's Phase II investigation, no identifiable logic was presented supporting Stantec's hypothesized 550-gallon UST location, other than the anomaly identified by the GPR survey.

To further evaluate the possibility of the 550-gallon UST tank existing on site, the following discussion is provided.

- The permitting of the tank occurred in 1972.
- Between 1967 and 1998, there was no visible earth disturbances on portions of the site where Stantec located the potential UST location.
- Between 1954 and 1963 earth can be indirectly assumed to be exposed in the central portion of the site. By 1964, some vegetation can be observed in sporadic areas of the site. Undocumented fill was identified in the central portion of the site. It is reasonable to assume the earth shown in the 1964 arial image was from spoils generated from the construction of the buildings and cut pads west of the site.
- Between 1999 and 2003, the site underwent minor grading as noted by scrubbed brush along the western portion of the site, but this is well outside the year of when the 550 gallon UST tank was permitted.

- The site was not developed until sometime between the years of 2003 and 2005, this was 30 years after the UST was installed. The portions of the site developed was limited to the western boundary by construction of outside storage area, parking lot, and a trash bin enclosure.
- The natural vegetation is slow growing and a scar from an excavation would likely be present in historic photos or satellite imagery, or a noticeable lack of chaparral bushes. A scar was not observed, the area lacking chaparral brush is the area identified by Stantec to be a potential UST location.

Conclusion

Evidence is not present to conclude the 550-gallon UST is present on the site. If the UST remains on the portion of property to be retained by AT&T, the UST does not pose a recognized environmental concern to the site. The UST, if it still exists, is potentially located in the northwest or southeast vicinity and adjacent to the existing AT&T building. These possible locations would locate the UST at an elevation lower or cross gradient to the proposed elevations relative to the site.

The site is underlain predominately by granitic bedrock that exhibits low permeability and reduces the likelihood of volatile organic compounds (gasses from a leaking petroleum tank) as well as fluids potentially impacting the site. The soil-gas vapor evaluation performed by Stantec suggests that an offsite 550-gallon UST tank has not impacted the site.

Based on the existing reports by Terracon and Stantec, as well as, the subsurface exploration performed on December 14, 2022, the RECs identified by Stantec, in GeoTek's professional opinion, does not pose an REC to the site.

GeoTek concurs with Stantec's conclusions regarding the soil-gas vapor study and the railroad alignment adjacent to the site.

GeoTek recommends no further environmental investigation is necessary.

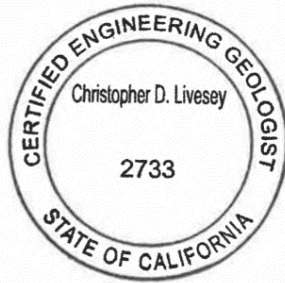
LIMITATIONS

The comments are professional opinions that are limited to the extent of the available data. These opinions have been derived in accordance with current City/County/State standards of practice and no warranty is expressed or implied. Standards of practice are subject to change with time.

Respectfully submitted,
GeoTek, Inc.



Christopher D. Livesey
CEG 2733, Exp. 05/31/23
Vice President



Anna M. Scott
Project Geologist

Distribution: (I) Addressee via email

REFERENCES

- Kennedy, M.P., Tan, S.S., Bovard, K.R., Alvarez, R.M., Watson, M.J. and Gutierrez, C.I., 2007, "Geologic Map of the Oceanside 30x60-Minute Quadrangle, California," California Geological Survey, Regional Geological Map RGM-2, scale 1:100,000.
- Stantec, 2021, "Phase II Environmental Site Assessment, 225 North Las Posas Road, San Marcos, California 92069," Project No.: 185805035, dated March 23.
- Terracon, 2019, "Phase I Environmental Site Assessment, AT&T: San Marcos, 225 North Las Posas Road, San Marcos, San Diego County, California," Terracon Project No. 60197159, dated May 10.