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|------------------|---|
| Type of Services | Phase I Environmental Site Assessment                           |
| Location         | Downtown Parking Structure Locations<br>Morgan Hill, California |
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| Project Number   | 118-53-1  |
| Date             | March 17, 2014  |

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**FIGURE 1 – VICINITY MAP**

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**APPENDIX B – HISTORIC AERIAL PHOTOGRAPHS AND MAPS**

**APPENDIX C – LOCAL STREET DIRECTORY SEARCH RESULTS**

**APPENDIX D – QUESTIONNAIRES**

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|                  |                                       |
|------------------|---------------------------------------|
| Type of Services | Phase I Environmental Site Assessment |
| Location         | Downtown Parking Structure Locations  |
|                  | Morgan Hill, California               |

## SECTION 1: INTRODUCTION

This report presents the results of the Phase I Environmental Site Assessment (ESA) performed at three locations that are being considered for the construction of a parking structure in Morgan Hill, California (Site) as shown on Figures 1 and 2. This work was performed for David J. Powers & Associates in accordance with our December 16, 2013 Agreement (Agreement).

### 1.1 PURPOSE

The scope of work presented in the Agreement was prepared in general accordance with ASTM E 1527-13 titled, "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process" (ASTM Standard). The ASTM Standard is in general compliance with the Environmental Protection Agency (EPA) rule titled, "Standards and Practices for All Appropriate Inquiries; Final Rule" (AAI Rule). The purpose of this Phase I ESA is to strive to identify, to the extent feasible pursuant to the scope of work presented in the Agreement, Recognized Environmental Conditions at the property.

As defined by ASTM E 1527-13, the term Recognized Environmental Condition means the presence or likely presence of any hazardous substances or petroleum products in, on, or at a property: (1) due to any release to the environment; (2) under conditions indicative of a release to the environment; or (3) under conditions that pose a material threat of a future release to the environment. De minimis conditions are not Recognized Environmental Conditions.

Cornerstone Earth Group, Inc. (Cornerstone) understands that David J. Powers & Associates is assisting the City of Morgan Hill in evaluating three properties that are being considered for development of a parking structure and commercial use. We performed this Phase I ESA to support David J. Powers & Associates in evaluation of Recognized Environmental Conditions at the Site. This Phase I ESA is intended to reduce, but not eliminate, uncertainty regarding the potential for Recognized Environmental Conditions at the Site.

### 1.2 PROJECT DESCRIPTION

The proposed project consists of the construction of a parking structure with at least 275 parking spaces within the City of Morgan Hill (City) Downtown Specific Plan Area. The City has proposed three different options (at three different locations) for construction of the proposed parking structure:

**Option A – City Owned Depot Street Parking Lot:** The parking structure would be constructed on a City-owned parking lot on the northeast side of Depot Street between East Second and East Fourth Streets in the City of Morgan Hill. The Site is bounded by Caltrain/Union Pacific Railroad (UPRR) tracks to the northeast, Depot Street to the southwest, and commercial uses to the northwest and southeast. The structure would include a pedestrian walkway at the terminus of East Third Street to provide connection to the existing railroad crossing and Caltrain station. The existing Caltrain station building would be demolished. The parking structure would be accessed from Depot Street.

**Option B – BooksMart Site:** The parking structure would be constructed on the southwest side of Depot Street between East Second and East Third Streets in the City of Morgan Hill. The Site is bounded by East Second Street and single family residences to the northwest, single family residences to the southwest, Depot Street and public parking to the northeast, and East Third Street to the southeast. An existing commercial building on the Site, occupied by BooksMart and other businesses, would be demolished. The proposed two to three story parking structure would also include an approximately 5,000 square-foot ground level retail space along East Third Street.

**Option C – Sunsweet Site:** The Site is bordered by East Third Street, residences and commercial uses to the northwest, commercial uses (mainly restaurants) to the southwest, East Fourth Street, residences and commercial uses to the southeast, and commercial uses to northeast. The project would include the demolition of an existing fruit drying shed structure (formerly occupied by the Sunsweet fruit processing plant). The proposed two to three story parking structure would also include an approximately 5,000 square-foot ground level retail space along East Third Street.

### 1.3 SCOPE OF WORK

As presented in our Agreement, the scope of work performed for this Phase I ESA included the following:

- A reconnaissance of the Site to note readily observable indications of significant hazardous materials releases to structures, soil or ground water.
- Drive-by observation of adjoining properties to note readily apparent hazardous materials activities that have or could significantly impact the Site.
- Acquisition and review of a regulatory agency database report of public records for the general area of the Site to evaluate potential impacts to the Site from reported contamination incidents at nearby facilities.
- Review of readily available information on file at selected governmental agencies to help evaluate past and current Site use and hazardous materials management practices.
- Review of readily available maps and aerial photographs to help evaluate past and current Site uses.
- Interviews with persons reportedly knowledgeable of existing and prior Site uses.
- Preparation of a written report summarizing our findings and recommendations.

The limitations for the Phase I ESA are presented in Section 10.

## 1.4 ASSUMPTIONS

In preparing this Phase I ESA, Cornerstone assumed that all information received from interviewed parties is true and accurate. In addition, we assumed that all records obtained by other parties, such as regulatory agency databases, maps, related documents and environmental reports prepared by others are accurate and complete. We also assumed that the boundaries of the Site, based on information provided by David J. Powers & Associates, are as shown on Figure 2. We have not independently verified the accuracy or completeness of any data received.

## 1.5 ENVIRONMENTAL PROFESSIONAL

This Phase I ESA was performed by Stason I. Foster, P.E. and Ron L. Helm, C.E.G., Environmental Professionals who meet the qualification requirements described in ASTM E 1527-13 and 40 CFR 312 § 312.10 based on professional licensing, education, training and experience to assess a property of the nature, history and setting of the Site.

## SECTION 2: SITE DESCRIPTION

This section describes the Site as of the date of this Phase I ESA. The location of the Site is shown on Figures 1 and 2. Tables 1 through 3 summarize general characteristics of the Site and adjoining properties. The Site is described in more detail in Section 7, based on our on-Site observations.

### 2.1 LOCATION AND OWNERSHIP

Table 1 describes the physical location, and ownership of the property, based on information provided by David J. Powers & Associates. Address information also was obtained from Santa Clara County Assessor's Office records.

**Table 1. Location and Ownership**

| Assessor's Parcel No. (APN)                           | Reported Address   | Owner                     |
|---|--|---------------------------|
| <b>Option A – City Owned Depot Street Parking Lot</b> |  |                           |
| 726-13-047  | 17130 Depot Street   |                           |
| Part of 726-14-061                                    | 17300 Depot Street   | City of Morgan Hill       |
| <b>Option B – BooksMart Site</b>                      |  |                           |
| 726-14-001  | 80, 82, 86, 88, 90 and 92 East Second Street<br>95 East Third Street<br>17355 and 17365 Depot Street | Llagas Valley Investments |
| <b>Option C – Sunsweet Site</b>                       |  |                           |
| 726-13-033  | 55 East Fourth Street  | Not Reported              |
| 726-13-042  | 55 East Fourth Street  |                           |
| 726-13-043  | 90 East Third Street   |                           |

## 2.2 CURRENT/PROPOSED USE OF THE PROPERTY

The current and proposed uses of the property are summarized in Table 2.

**Table 2. Current and Proposed Uses**

| Reported Address  | Current Use/Occupants   | Proposed Use  |
|---|---|---|
| <b>Option A – City Owned Depot Street Parking Lot</b>   |   |   |
| 17130 Depot Street<br>17300 Depot Street  | Public parking lot<br>Morgan Hill Caltrain Station and Jonty's Vietnamese Eatery  | Parking garage  |
| <b>Option B – Booksmart Site</b>  |   |   |
| 80 East Second Street<br>82 East Second Street<br>86 and 88 East Second St.<br>90 East Second Street<br>92 East Second Street<br>95 East Third Street<br>17355 Depot Street<br>17365 Depot Street | Booksmart (retail book store and café)<br>Morgan Hill Access Television<br>Cherisse's Hair Salon<br>Marco Polo Eastern Treasures<br>Peking Restaurant<br>Jesus Mexican Restaurant<br>United Academy of Martial Arts<br>Unoccupied | Parking garage with ground level retail space along East Third Street |
| <b>Option C – Sunsweet Site</b>   |   |   |
| 55 East Fourth Street<br>90 East Third Street   | Undeveloped lot<br>Corrugated metal structures formerly occupied by Sunsweet fruit processing plant   | Parking garage with ground level retail space along East Third Street |

## 2.3 SITE SETTING AND ADJOINING SITE USE

Land use in the general Site vicinity appears to be a mix of commercial and residential uses. Based on our Site vicinity reconnaissance, adjoining Site uses are summarized below in Table 3.

**Table 3. Adjoining Site Uses**

|           | Option A – City Owned Depot Street Parking Lot  | Option B – Booksmart Site  | Option C – Sunsweet Site   |
|-----------|---|--|--|
| Northeast | Caltrain/UPRR railroad tracks   | Parking lot (across Depot Street)  | Former Sunsweet fruit processing plant structures and Depot Street |
| Northwest | Public parking lot  | Residences (across East Second Street)                                       | Booksmart property and residences (across East Third Street)       |
| Southeast | Hale Lumber Company   | Former Sunsweet fruit processing plant structures (across East Third Street) | Residences and Grange Hall (across East Fourth Street)             |
| Southwest | Commercial properties (across Depot Street) including the Booksmart and Sunsweet properties | Residences   | Restaurants and office space                                       |

## SECTION 3: USER PROVIDED INFORMATION

The ASTM standard defines the User as the party seeking to use a Phase I ESA to evaluate the presence of Recognized Environmental Conditions associated with a property. For the purpose of this Phase I ESA, the User is David J. Powers & Associates. The "All Appropriate Inquiries" Final Rule (40 CFR Part 312) requires specific tasks be performed by or on behalf of the party seeking to qualify for Landowner Liability Protection under CERCLA (*i.e.*, the User).

Per the ASTM standard, if the User has information that is material to Recognized Environmental Conditions, such information should be provided to the Environmental Professional. This information includes: 1) specialized knowledge or experience of the User, 2) commonly known or reasonably ascertainable information within the local community, and 3) knowledge that the purchase price of the Site is lower than the fair market value due to contamination. A search of title records for environmental liens and activity and use limitations also is required.

### 3.1 ENVIRONMENTAL LIENS OR ACTIVITY AND USE LIMITATIONS

An environmental lien is a financial instrument that may be used to recover past environmental cleanup costs. Activity and use limitations (AULs) include other environmental encumbrances, such as institutional and engineering controls. Institutional controls (ICs) are legal or regulatory restrictions on a property's use, while engineering controls (ECs) are physical mechanisms that restrict property access or use.

The regulatory agency database report described in Section 4.1 did not identify the Site as being in 1) US EPA databases that list properties subject to land use restrictions (*i.e.*, engineering and institutional controls) or Federal Superfund Liens or 2) lists maintained by the California Department of Toxic Substances Control (DTSC) of properties that are subject to AULs or environmental liens where the DTSC is a lien holder.

ASTM E 1527-13 categorizes the requirement to conduct a search for Environmental Liens and AULs as a User responsibility. A search of land title records for environmental liens and AULs was not within the scope of the current Phase I ESA.

### 3.2 SPECIALIZED KNOWLEDGE AND/OR COMMONLY KNOWN OR REASONABLY ASCERTAINABLE INFORMATION

Based on information provided by or discussions with David J. Powers & Associates, we understand that David J. Powers & Associates does not have specialized knowledge or experience, commonly known or reasonably ascertainable information regarding the Site, or other information that is material to Recognized Environmental Conditions.

## SECTION 4: RECORDS REVIEW

### 4.1 STANDARD ENVIRONMENTAL RECORD SOURCES

Cornerstone conducted a review of federal, state and local regulatory agency databases provided by Environmental Data Resources (EDR) to evaluate the likelihood of contamination incidents at and near the Site. The database sources and the search distances are in general accordance with the requirements of ASTM E 1527-13. A list of the database sources reviewed, a description

of the sources, and a radius map showing the location of reported facilities relative to the project Site are attached in Appendix B.

The purpose of the records review was to obtain reasonably available information to help identify Recognized Environmental Conditions. Accuracy and completeness of record information varies among information sources, including government sources. Record information is often inaccurate or incomplete. The Environmental Professional is not obligated to identify mistakes or insufficiencies or review every possible record that might exist with the Site. The customary practice is to review information from standard sources that is reasonably available within reasonable time and cost constraints.

#### 4.1.1 On-Site Database Listings

The Site was not identified in the researched regulatory agency databases.

#### 4.1.2 Nearby Spill Incidents

As summarized below in Table 4, the researched databases identified several nearby spill incidents.

**Table 4. Nearby Spill Incidents**

| Facility Name and Address                              | Approximate Distance and Direction from Site                      | Database Listings/Comments  |
|--|---|---|
| Sunsweet/Sunsweet Dryers<br>91 East Fourth Street      | Adjacent to the northeast of Option C and southeast of Option B   | Listed on the leaking underground storage tank (LUST) database and on the Envirostor database. The LUST case is listed as closed. The Envirostor database indicates that the case was referred to a different agency. A listing on the historic underground storage tank (UST) database indicates that one gasoline UST was previously present. |
| Mason Electric<br>(Rhino Gym)<br>70 East Fourth Street | Adjacent to the southeast of Option C (across East Fourth Street) | Listed as a closed LUST case.   |
| Simple Beverages<br>7290 Monterey Road                 | Approximately 75 feet southwest of Option C                       | Listed as a closed LUST case.   |

To obtain additional information regarding the nearby LUST cases listed in Table 4, a cursory review of readily available documents obtained from the state Geotracker (<http://geotracker.waterboards.ca.gov>) database was performed. Geotracker is a database and geographic information system (GIS) that provides online access to environmental data. It tracks regulatory data about leaking underground storage tank (LUST), Department of Defense, Site Cleanup Program and Landfill sites. Additional documents were obtained from the Santa Clara County Department of Environmental Health (DEH) Local Oversight Program website (<http://lustop.sccgov.org>).

Based on the information reviewed regarding the closed LUST cases at the Mason Electric and Simple Beverages properties, these spill incidents do not appear to have impacted the Site.

Selected documents associated with these LUST cases are attached in Appendix E. No reports pertaining to the Sunsweet LUST case were available from the Geotracker or DEH websites; what appears to be an associated 1994 letter, however, was identified in Morgan Hill Building Department records, as discussed in Section 4.2.1.

## 4.2 ADDITIONAL ENVIRONMENTAL RECORD SOURCES

The following additional sources of readily ascertainable public information for the Site also were reviewed during this Phase I ESA.

### 4.2.1 City and County Agency File Review

Cornerstone requested available files pertaining to the reported Site addresses (Table 1) at the Morgan Hill Building Department (BD) and the Santa Clara County Department of Environmental Health (DEH). The DEH had no files for the Site addresses. The information reviewed at the BD is summarized in Table 5.

The Santa Clara County Fire Department (FD) formerly provided fire suppression and emergency medical services to the City of Morgan Hill and also administered hazardous materials related state programs including the hazardous materials business plan program (HMBP) (California Health and Safety Code, Chapter 6.95) and the UST program (California Health and Safety Code, Chapter 6.7). In January 2013, the City contracted with California Department of Forestry & Fire Protection (CAL Fire) for fire suppression and emergency medical services, and administration of the HMBP and UST programs became the responsibility of the DEH. At the end of their contract, the FD reportedly transferred hazardous materials related program documents (in electronic and hard copy formats) to the City. City staff at the BD indicated that the electronic documents transferred by the FD are in a format that is not compatible with the City's document management system and, thus, were not available for review. Available hard copy files from the FD pertaining to the Site addresses were provided and are summarized in Table 5.

**Table 5. File Review Information**

| Agency Name   | Date | Occupant                    | Remarks  |
|---|------|-----------------------------|--|
| <b>Option A – City Owned Depot Street Parking Lot</b> |      |                             |  |
| <b>17130 Depot Street</b>                             |      |                             |  |
| BD  | 1962 | Ralston Purina Company      | Site plan showing a rectangular storage building on-Site.  |
| BD  | 1970 | Ralston Purina Company      | Plumbing permit.   |
| BD  | 1973 | Yellow Freight System, Inc. | Application for certificate of occupancy. Business type noted as "motor freight common carrier."           |
| BD  | 1973 | Yellow Freight System, Inc. | Letter regarding a building inspection. No violations indicative of hazardous materials spills were noted. |

Continued on next page.

**Table 5, continued.**

|                                |               |                                   |   |
|--------------------------------|---------------|-----------------------------------|---|
| BD                             | 1982          | Jim Peterson                      | Notice of violation stating that a salvage yard is not permitted in light industrial zoning districts. Southern Pacific Transportation Company is listed as the owner.  |
| BD                             | 1982          | Jim Peterson, dba Big Tow Service | Letter from Southern Pacific Transportation Company to Mr. Noel Benger stating that his sub-tenant, Mr. Jim Peterson, dba, Big Tow, left several automobile gasoline tanks on the Site. Mr. Benger was directed to remove the tanks. A similar letter was sent to Mr. Peterson. |
| BD                             | 1982          | Consolidated Freightways          | Notice of violation stating a conditional use permit was required for operation of distribution depot facilities.   |
| BD                             | 1983          | NA                                | Permit for office trailer.  |
| BD                             | 1983          | Consolidated Freightways          | Resolution noting that use permit was approved for operation of a warehouse and truck distribution facility.  |
| BD                             | 1989          | Consolidated Freightways          | Noise complaint reports and associated correspondence.  |
| SCCFD                          | 1996          | Elevator Design                   | HMBP. Listed hazardous materials include welding gasses and up to 35 gallons of stain, lacquer thinner, contact cement and acetone (stored in 1- and 5-gallon containers).  |
| SCCFD                          | 2001 to 2004  | Elevator Design                   | HMBP and associated documents. Listed hazardous materials include welding gasses and up to 25 gallons of unspecified flammable liquids.   |
| BD                             | 2008          | NA                                | Permit to demolish a 50 by 100 foot steel building.   |
| <b>17300 Depot Street</b>      |               |                                   |   |
| BD                             | 1994          | Caltrain Depot                    | Permits and associated documents pertaining to the construction of a Caltrain Depot (concession building and waiting area).   |
| BD                             | 2004/2005     | Ya Bon Espresso                   | Permits for awning and sign installation, and certificate of occupancy.   |
| SCCFD                          | 2005 and 2007 | Ya Bon Espresso                   | Inspection reports. No violations indicative of hazardous materials spills were noted.  |
| BD                             | 2012          | Noah's BBQ & Smokehouse           | Certificate of occupancy.   |
| BD                             | 2013          | Jonty's                           | Certificate of occupancy.   |
| <b>Option B – Booksma Site</b> |               |                                   |   |
| <b>80 East Second Street</b>   |               |                                   |   |
| SCCFD                          | 1998 to 2005  | Bargain Hunters Furniture Outlet  | Inspection log and self-inspection forms. No violations indicative of hazardous materials spills were noted.  |
| SCCFD                          | 2007          | Booksma Enterprises               | Inspection log and self-inspection forms. No violations indicative of hazardous materials spills were noted.  |
| <b>82 East Second Street</b>   |               |                                   |   |
| SCCFD                          | 2005 and 2006 | Morgan Hill Access Television     | Inspection log and self-inspection forms. No violations indicative of hazardous materials spills were noted.  |
| SCCFD                          | 2007 to 2009  | Mac Plastics                      | Inspection log and self-inspection forms. No violations indicative of hazardous materials spills were noted.  |

Continued on next page.

**Table 5, continued.**

| <b>86 and 88 East Second Street</b> |               |   |   |
|-------------------------------------|---------------|---|---|
| SCCFD                               | 2005 to 2011  | Various Hair Salons                                 | Inspection log and self-inspection forms. No violations indicative of hazardous materials spills were noted.  |
| <b>90 East Second Street</b>        |               |   |   |
| BD                                  | 1985 to 2010  | NA  | Various permits for alterations.  |
| SCCFD                               | 2005          | Indian Spice House                                  | Inspection log and self-inspection form. No violations indicative of hazardous materials spills were noted.   |
| SCCFD                               | 2007 to 2009  | Morgan Hill Chamber of Commerce                     | Inspection log and self-inspection form. No violations indicative of hazardous materials spills were noted.   |
| SCCFD                               | 2011          | Marco Polo's Eastern Treasures                      | Inspection report. No violations indicative of hazardous materials spills were noted.   |
| <b>92 East Second Street</b>        |               |   |   |
| SCCFD                               | 1996 to 2009  | Peking Chinese Restaurant                           | Inspection log and self-inspection form. No violations indicative of hazardous materials spills were noted.   |
| <b>95 East Third Street</b>         |               |   |   |
| BD                                  | 1975          | NA  | Plumbing permit.  |
| BD                                  | 1977          | Casa Vicky Bakery and Deli                          | Inspection letter noting restaurant use.  |
| BD                                  | 1988          | Trine's Café  | Permit for range hoods.   |
| BD                                  | 2004 and 2006 | NA  | Permits for reroofing and installation of a backflow device.  |
| BD                                  | 2013          | Continental Stitch                                  | Certificate of occupancy.   |
| <b>17355 Depot Street</b>           |               |   |   |
| BD                                  | 1990 to 1996  | NA  | Permits for alterations and sign.   |
| BD                                  | 1990          | Consolidated Freightways                            | Complaint and letters noting Consolidated Freightways use for office purposes.  |
| BD                                  | 1995          | United Academy of Martial Arts and Jesus Restaurant | Hazardous materials disclosure stating the no hazardous materials will be used within the martial arts studio. Jesus Restaurant is shown on a site plan to occupy an adjacent part of the building.                                 |
| SCCFD                               | 1997 to 2008  | United Academy of Martial Arts                      | Inspection log and self-inspection forms. No violations indicative of hazardous materials spills were noted.  |
| <b>17365 Depot Street</b>           |               |   |   |
| BD                                  | 1989          | Auto repair shop                                    | Various letters noting the unpermitted occupancy by an auto repair shop. JC Heating is noted to have occupied a building facing Depot Street from 1982 to 1987. The auto shop appears to have moved out at the request of the City. |
| BD                                  | 1991          | Turner Plumbing                                     | Sign permit.  |

Continued on next page.

**Table 5, continued.**

| <b>Option C – Sunsweet Site</b> |               |                 |  |
|---------------------------------|---------------|-----------------|--|
| <b>90 East Third Street</b>     |               |                 |  |
| SCCFD                           | 1985          | Sunsweet Dryers | <p>HMBP. Business activity described as "the drying of fresh prunes." A site plan shows on-Site structures including warehouses, a dipper shed, a shed labeled "F", and a building labeled as "tunnels." The on-Site warehouses are noted to have been used for storage of dried fruit bins, harvest bins, trays and miscellaneous parts and equipment. The "tunnels" building is noted to have been used for tray storage. Shed F is noted to have been used for miscellaneous equipment storage. The HMBP states that no chemicals were stored in these on-Site structures.</p> <p>Hazardous materials noted to have been stored on easterly adjacent off-Site portions of the Sunsweet facility include various petroleum based lubricants (maximum individual quantities ranging from 5- to 55-gallons), diesel fuel (55 gallons), and paint and paint thinner (1 to 5 gallons). Additionally, a 500-gallon gasoline UST is shown to have been located east of the Sunsweet office building, near Depot Street (off-Site).</p> |
| <b>55 East Fourth Street</b>    |               |                 |  |
| BD                              | 1981 and 1986 | Residence       | Electrical permit, and building permit for an addition and upgrades.   |
| BD                              | 1995          | Residence       | Demolition permit for foundation. A house is noted to have been moved off of the parcel.   |
| BD                              | 1999          | Residence       | Permit to relocate a building to the parcel.   |
| BD                              | 2007          | Residence       | Permit to demolish a relocated dwelling.   |

During our review of BD files, several documents pertaining to Sunsweet Dryers were found to be filed under 91 East Third Street (these appear to have been misfiled; most of the filed documents listed an address of 91 East Fourth Street). Note that Option C (i.e., the Sunsweet Site) consists of the western portion of a larger property formerly occupied by Sunsweet; the larger property also includes APN 726-13-032 and 044. The address most frequently used by Sunsweet appears to have been 91 East Fourth Street (an address associated with one of the off-Site parcels).

The documents reviewed note occupancy of 91 East Fourth Street by Sunsweet Dryers and Growers since at least the 1960s. A recycling center operated by Western Recycling is listed as an occupant of 91 East Fourth Street between 1990 and 1996.

The file also contained an October 4, 1996 letter from DEH regarding a surface release of hydraulic fluid on the ground in the drying shed compartments at the Sunsweet facility at 91 East Fourth Street. The letter states that sampling was performed after excavation and residual contaminant concentrations up to 1,160 mg/kg remain on the property (presumably hydraulic fluid in soil). The DEH indicated that no further action was required, except for the submittal of a map showing contaminant locations and payment of fees. The DEH also stated that construction in the contaminated areas should be limited and precautions should be taken to minimize worker exposure. To attempt to obtain additional information regarding the hydraulic fluid release, Cornerstone requested DEH files for 91 East Fourth Street; as of the date of this report, the DEH has not responded to this additional file review request.

A 1965 letter from the County Fire Marshal notes the presence of an underground flammable liquid tank at Sunsweet Dryers. A 1994 letter and site plan describe a gasoline UST at the property; the letter appears to be from the City Fire Department to the Economic Development Department. The UST is shown to have been located on the eastern side of the Sunsweet office building adjacent to Depot Street (located off-Site on APN 726-13-044). A fuel dispenser is shown to have been located adjacent to the west side of the building; fuel piping between the dispenser and UST reportedly was located below the building. Gasoline impacted soil reportedly was identified at the UST and dispenser locations. Excavation of some of the impacted soil reportedly was performed in 1985/1986. The letter suggests that impacted soil below the building and below nearby concrete slabs may remain in place. Ground water is noted to have been sampled on September 3 and October 23, 1986. Gasoline, benzene, toluene and xylenes reportedly were not detected in the ground water samples.

#### 4.2.2 Other Historic Records

An online search for historic information regarding the City of Morgan Hill identified an October 2006 Historic Context Statement for the City of Morgan Hill that was prepared at the request of the City by Circa: Historic Property Development (Circa, 2006).

The building on the Option B Site (or at least a portion of it) is described as being built in 1918 by the Farmers Union and used as a store and feed house. The building reportedly was sold during the 1920s to Dee-Hi Fruit Products Company. Dee-Hi reportedly closed in 1933 and was purchased by its president A.G. Col. His sons ran the company until 1949 when the property was sold to the Poultry Producers of Central California (Nulaid Eggs) and the building was used as a shipping center for eggs and poultry feed. In 1960, it reportedly was converted into a hardware store and retail shops.

The California Prune and Apricot Growers Association was noted to have been founded in 1917 and reportedly sold fruit under the trade-name, Sunsweet. A fruit processing plant (their second) is noted to have operated at East Third Street and Depot Street from 1922 until 1987. A portion of this processing plant appears to have been located on the Option C Site.

### SECTION 5: PHYSICAL SETTING

We reviewed readily available geologic and hydrogeologic information to evaluate the likelihood that chemicals of concern released on a nearby property could pose a significant threat to the Site and/or its intended use.

#### 5.1 RECENT USGS TOPOGRAPHIC MAP

A 1980 USGS 7.5 minute topographic map was reviewed to evaluate the physical setting of the Site. The Site's elevation is approximately 350 feet above mean sea level; topography in the vicinity of the Site slopes downward gently to the southeast.

#### 5.2 HYDROGEOLOGY

Based on information presented in the California Geotracker database regarding nearby properties, ground water beneath the Site is likely present at depths of approximately 20 to 40 feet, however, variable depths between approximately 9 and 80 feet have been reported in the vicinity (Arcadis, 2011). Ground water likely flows toward the northeast.

## SECTION 6: HISTORICAL USE INFORMATION

The objective of the review of historical use information is to develop a history of the previous uses of the Site and surrounding area in order to help identify the likelihood of past uses having led to Recognized Environmental Conditions at the property. The ASTM standard requires the identification of all obvious uses of the property from the present back to the property's first developed use, or back to 1940, whichever is earlier, using reasonably ascertainable standard historical sources.

### 6.1 HISTORICAL SUMMARY OF SITE

The historical sources reviewed are summarized below. The results of our review of these sources are summarized in Table 6.

- **Historical Aerial Photographs:** We reviewed aerial photographs dated between 1939 and 2012 obtained from EDR of Shelton, Connecticut; copies of aerial photographs reviewed are presented in Appendix C.
- **Historical Topographic Maps:** We reviewed USGS 15-minute and 7.5-minute historic topographic maps dated 1917, 1955, 1968, 1973 and 1980; copies of historic topographic maps reviewed are presented in Appendix C.
- **Historical Fire Insurance Maps:** We reviewed Sanborn fire insurance maps dated 1908, 1926 and 1941 obtained from EDR; copies of Sanborn maps are presented in Appendix C.
- **Local Street Directories:** We reviewed city directories obtained from EDR that were researched at approximately 5 year intervals between 1970 and 2013 to obtain information pertaining to past Site occupants. Commercial occupants are listed in Table 6. The city directory summary is presented in Appendix D.

**Table 6. Summary of Historical Source Information for Site**

| Date  | Source             | Comment  |
|---|--------------------|--|
| <b>Option A – City Owned Depot Street Parking Lot</b> |                    |  |
| 1908, 1926 and 1941                                   | Sanborn maps       | The Site is labeled as "depot grounds" on the 1908 Sanborn map. A railroad track spur appears to extend onto the northeastern portion of the Site. No on-Site structures are depicted. |
| 1917 and 1955   | Topographic maps   | A railroad track spur appears to extend onto the northeastern portion of the Site. No on-Site structures are readily apparent.   |
| 1939, 1948 and 1956                                   | Aerial photographs | The Site appears to be undeveloped. A railroad track spur is apparent on the northeastern portion of the Site.   |
| 1968, 1973 and 1980                                   | Topographic maps   | A railroad track spur appears to extend onto the northeastern portion of the Site. Two commercial structures are depicted on the southeastern portion of the Site.                     |
| 1968, 1974 and 1981                                   | Aerial photograph  | A commercial structure is shown on the southeastern portion of the Site. A possible second structure or stored items are shown on the 1981 aerial photograph.                          |

Continued on next page.

**Table 6, continued.**

|                                |                    |  |
|--------------------------------|--------------------|--|
| 1975                           | City Directory     | Occupant listed as Yellow Freight System (17130 Depot Street).   |
| 1980                           | City Directory     | Occupants listed as Plywood Surplus Sales and South County Kitchens (17130 Depot Street).  |
| 1986                           | City Directory     | Occupant listed as Consolidated Freightways and Plywood Sales Inc. (17130 Depot Street).   |
| 1991                           | City Directory     | Occupant listed as Consolidated Freightways and A Tool Shed Equipment Rental (17130 Depot Street).   |
| 1993 to 2006                   | Aerial photograph  | The existing train station/concessions building is depicted and a parking lot is present on the northwestern portion of the Site. A commercial structure is shown on the southeastern portion of the Site.   |
| 1999, 2003 and 2008            | City Directory     | Occupant listed as Elevator Designs Inc. (17130 Depot Street).   |
| 2009 to 2012                   | Aerial photographs | The Site appears similar to the current conditions.  |
| 2013                           | City Directory     | Occupant listed as Locksmith Morgan Hill (17300 Depot Street).   |
| <b>Option B – Booksma Site</b> |                    |  |
| 1908                           | Sanborn map        | The Site is shown to be occupied by a hotel on the northern corner of the Site, as well as a dwelling.   |
| 1917                           | Topographic map    | What appear to be several small structures, typical of residences, are depicted on-Site.   |
| 1926 and 1941                  | Sanborn map        | The Site is shown to be occupied by the existing building, which is shown to consist of several connected structures labeled as a fruit dehydrator with a dipper (presumably a prune dipper), an evaporator, two warehouses and a storage building. Dee-Hi Fruit Products Company is noted as the occupant in 1926 and the Estate of A.G. Col is noted as the occupant in 1941. A railroad track spur is shown to be present on a portion of the Site that fronts Depot Street. On the 1926 Sanborn map, a note indicates that crude oil was used as a fuel source; no specific tank locations are depicted. |
| 1939 to 2012                   | Aerial photographs | The existing on-Site building is shown.  |
| 1955, 1968, 1973 and 1980      | Topographic maps   | The existing on-Site building is depicted. A railroad track spur also is shown to extend onto the eastern portion of the Site.   |
| 1975                           | City Directory     | Occupants listed as Squeri Brothers Hardware, Alpha Refrigeration, Gene Filice Realty, Morgan Hill Bakery, Traceys Bakery and Shamrock Pizza.  |
| 1980                           | City Directory     | Occupants listed as Morgan Hill Meat Company, Alpha Refrigeration, Gene Filice Realty, South valley Performance, State Farm Insurance, Morgan Hill Bakery, Traceys Bakery, Shamrock Pizza and Diaz Tortilla Inc.   |
| 1986                           | City Directory     | Occupants listed as Persons hardware, Fellows and Sutton, Morgan Hill Meat Company, State Farm Insurance, Morgan Hill Bakery, Traceys Bakery, Peking Restaurant, JC Heating and Air Conditioning and Rositas Restaurant.   |

Continued on next page.

**Table 6, continued.**

|                                 |                   |   |
|---------------------------------|-------------------|---|
| 1991                            | City Directory    | Occupants listed as Morgan Hill Meat Company, Cornerstone Investigating, Morgan Hill Bakery, Traceys Bakery, Peking Restaurant and Xtrell Inc.  |
| 1996                            | City Directory    | Occupants listed as Party Outlet, Halal Meat Market, Hair Cove, La Monena Bakery, Peking Restaurant, United Academy of Martial Arts, KC Heating and Air Conditioning and Jesus Restaurant.  |
| 1999                            | City Directory    | Occupants listed as Bargain Hunters Outlet, Eddies Tips and Toes, Hair Cove, United Visions, Morgan Hill Health Club, Peking Restaurant, United Academy of Martial Arts, RSM Company, and Jesus Restaurant.   |
| 2003                            | City Directory    | Occupants listed as Bargain Hunters Furniture Outlet, All American Nails, Perfections Salon, Make It Mine, Peking Restaurant, United Academy of Martial Arts, MLC Construction, and Jesus Restaurant.   |
| 2008                            | City Directory    | Occupants listed as Booksmart, Building Blocks Inc., Bargain Hunters Outlet, DLM Electronic Inc., Mac Plastics & Signs, MHAT, East West Grocery, Morgan Hill Chamber of Commerce, Peking Restaurant, United Academy of Martial Arts, MLC Construction, Jesus Restaurant and R. Badillo & Sons.  |
| 2013                            | City Directory    | Occupants listed as Booksmart, MHAT, Cherisses Hair Salon, Morgan Hill Chamber of Commerce, 24 Hour Locksmith, Peking Restaurant, United Academy of Martial Arts, Depot Street Emergency Locksmith, Jesus Restaurant and Continental Stitch.  |
| <b>Option C – Sunsweet Site</b> |                   |   |
| 1908                            | Sanborn map       | The Site is shown to be occupied by five dwellings and associated outbuildings.   |
| 1917                            | Topographic map   | What appear to be several small structures, typical of residences, are depicted on-Site.  |
| 1926                            | Sanborn map       | The southwest portion of the Site is shown to be occupied by six dwellings and associated outbuildings.<br><br>The northeast portion of the Site is shown to be occupied by Sterling Lumber Company, with lumber sheds and an office structure.   |
| 1939                            | Aerial photograph | What appears to be one of the existing on-Site warehouse buildings is shown, along with several residences.   |
| 1941                            | Sanborn map       | The southwest portion of the Site is shown to be occupied by five dwellings and associated outbuildings.<br><br>The northeast portion of the Site is shown to be occupied by two prune drying structures and a prune warehouse. These structures appear to be associated with the northeasterly adjacent property that is labeled as being occupied by California Prune and Apricot Growers Association Plant No 2. |
| 1948                            | Aerial photograph | What appear to be two of the existing on-Site warehouse buildings are shown, along with a few other commercial structures and several residences.   |

Continued on next page.

**Table 6, continued.**

|                           |                    |   |
|---------------------------|--------------------|---|
| 1955, 1968, 1973 and 1980 | Topographic maps   | What appears to be the existing on-Site warehouse structure is depicted, along with another similar structure adjacent to the north. A few small structures, typical of residences, also are depicted on-Site.  |
| 1956                      | Aerial photograph  | What appear to be three of the existing on-Site warehouse buildings are shown, along with residences on the western portion of the Site. Some of the commercial structures shown on the 1948 aerial photograph appear to have been removed.             |
| 1968, 1974 and 1981       | Aerial photographs | The existing on-Site corrugated metal warehouse structures are shown, along with the structures labeled "tunnels" and "dipper shed" on the 1985 HMBP (as noted in Table 5). A residence also appears to be located on the southwest corner of the Site. |
| 1993 to 2012              | Aerial photograph  | The Site appears similar to the current conditions and occupied by four connected corrugated metal warehouse structures and the dipper shed.  |

## 6.2 HISTORICAL SUMMARY OF SITE VICINITY

Based on our review of the information described in Section 6.1, during the early 1900s, the general Site vicinity consisted mainly of residential properties, along with railroad tracks (adjacent to the northeast of Option A) and a few commercial businesses located mainly along Monterey Road. A public school also was present to the southeast of Option C, across Fourth Street. By the mid-1920s, California Prune and Apricot Growers Association Plant No 2 occupied property adjacent to the northeast of Option C. The 1926 and 1941 Sanborn maps depict a boiler house and a crude oil UST on the California Prune and Apricot Growers Association Plant No 2 property, immediately adjacent to Option C. Increases in commercial development along Monterey Road also are apparent. Aerial photographs dated between the 1930s and 1970s show mainly agricultural land (orchards and row crops) with widely spaced residences on the northeast side of the railroad tracks (*i.e.*, northeast of Option A). An increase in residential and commercial development, along with a corresponding decrease in agricultural land is apparent between the 1980s and 2000s.

## SECTION 7: SITE RECONNAISSANCE

We performed a Site reconnaissance to evaluate current Site conditions and to attempt to identify Site Recognized Environmental Conditions. The results of the reconnaissance are discussed below. Additional Site observations are summarized in Table 7 in Section 7.2. Photographs of the Site are presented in Section 7.2.1.

### 7.1 METHODOLOGY AND LIMITING CONDITIONS

To observe current Site conditions (readily observable environmental conditions indicative of a significant release of hazardous materials), Cornerstone staff Stason I. Foster, P.E. visited the Site on March 5, 2014. The Site reconnaissance was conducted by walking representative exterior areas of the Option A and B Sites, and viewing the Option C Site from public-right-of-ways. At the request of David J. Powers & Associates, the interiors of structures on the Option A and B Sites were not viewed, and the Option C Site was viewed only from the perimeter fence line.

## 7.2 OBSERVATIONS

### 7.2.1 Option A – City Owned Depot Street Parking Lot

At the time of our visit, the Option A Site was occupied by the Morgan Hill Caltrain Station building, consisting of passenger waiting areas and a small restaurant (Jonty's Vietnamese Eatery). The remainder of the Site consisted of asphalt paved vehicle drives and parking areas.

### 7.2.2 Option B – Booksmart Site

At the time of our visit, the Option B Site was occupied by a multi-tenant building. Tenants included Booksmart, Cherisse's Hair Salon, Marco Polo's Eastern Treasures, Continental Stitch, Peking Restaurant, Jesus Restaurant, Morgan Hill Access Television, and United Academy of Martial Arts. Mr. Brad Jones of Booksmart indicated that Booksmart had been a tenant for approximately 8 years and that prior tenants included Bargain Hunters, Party Outlet, a hardware store and Nulaid Eggs (an egg processing facility).

Mr. Jone's indicated that a UST had historically been abandoned in place below a concrete paved area on the East Third Street side of the Site (*i.e.*, between Third Street and the Continental Stitch retail store).

A sanitary sewer lift station was observed on the northeast side of the building. The lift station consisted of an above ground, polyethylene sump with a sump pump. Mr. Jones stated that a similar second lift station was present within the building.

### 7.2.3 Option C – Sunsweet Site

At the time of our visit, the Option C Site was occupied by four connected warehouse structures constructed of corrugated metal, along with a similarly constructed shelter labeled on the 1985 HMBP as a dipper shed. The remainder of the Site was undeveloped. The north and northwest portions of the undeveloped area were gravel covered

**Table 7. Summary of Readily Observable Site Features**

| General Observation          | Comments     |
|------------------------------|--------------|
| Aboveground Storage Tanks    | Not Observed |
| Agricultural Wells           | Not Observed |
| Air Emission Control Systems | Not Observed |
| Boilers                      | Not Observed |
| Burning Areas                | Not Observed |
| Chemical Mixing Areas        | Not Observed |
| Chemical Storage Areas       | Not Observed |
| Clean Rooms                  | Not Observed |
| Drainage Ditches             | Not Observed |
| Elevators                    | Not Observed |
| Emergency Generators         | Not Observed |
| Equipment Maintenance Areas  | Not Observed |

Continued on next page.

**Table 7, continued.**

|                                   |  |
|-----------------------------------|--|
| Fill Placement                    | Not Observed                             |
| Ground Water Monitoring Wells     | Not Observed                             |
| High Power Transmission Lines     | Not Observed                             |
| Hoods and Ducting                 | Not Observed                             |
| Hydraulic Lifts                   | Not Observed                             |
| Incinerator                       | Not Observed                             |
| Petroleum Pipelines               | Not Observed                             |
| Petroleum Wells                   | Not Observed                             |
| Ponds or Streams                  | Not Observed                             |
| Railroad Lines                    | Not Observed                             |
| Row Crops or Orchards             | Not Observed                             |
| Stockpiles of Soil or Debris      | Not Observed                             |
| Sumps or Clarifiers               | Sanitary sewer lift station on Option B. |
| Transformers                      | Not Observed                             |
| Underground Storage Tanks         | Not Observed                             |
| Vehicle Maintenance Areas         | Not Observed                             |
| Vehicle Wash Areas                | Not Observed                             |
| Wastewater Neutralization Systems | Not Observed                             |

The comment "Not Observed" does not warrant that these features are not present on-Site; it only indicates that these features were not readily observed during the Site visit.

#### 7.2.4 Site Photographs



Photograph 1. View of the Caltrain station building/Jonty's Vietnamese Restaurant on Option A.



Photograph 2. View of the parking lot on the southeast portion of Option A (looking northwest).



Photograph 3. View of the multi-tenant building on Option B (looking southeast from East Second St.).



Photograph 4. View of the multi-tenant building on Option B (looking north from East Third Street).



Photograph 5. View of the reported abandoned UST location near Continental Stitch on Option B.



Photograph 6. Sanitary sewer lift station on Option B.



Photograph 7. View of warehouse structures along East Fourth Street on Option C (looking north).



Photograph 8. View of undeveloped lot on the southwest portion of Option C (looking northwest from East Fourth Street).



Photograph 9. View of warehouse structures along East Fourth Street on Option C (looking northwest).



Photograph 10. View of gravel covered area on Option C looking southeast from East Third Street.

## SECTION 8: ENVIRONMENTAL QUESTIONNAIRE AND INTERVIEWS

### 8.1 ENVIRONMENTAL QUESTIONNAIRE / OWNER INTERVIEW

To help obtain information on current and historical Site use and use/storage of hazardous materials on-Site, we provided an environmental questionnaire to David J. Powers & Associates and asked that it be forwarded to each Site owner for completion. Completed questionnaires from the owners of the Option A and Option B Sites were returned to us and are attached in Appendix D. The completed questionnaire for Option C was not returned to us as of the date of this report.

The information provided regarding Option A indicates that the City of Morgan Hill acquired the Site in 1993 and 1994 from Southern Pacific Transportation Company. The existing Caltrain station building was subsequently constructed and has been occupied by several restaurant businesses. No information indicative of Recognized Environmental Conditions was provided on the questionnaire.

The information provided regarding Option B indicates that Llagas Valley Investments acquired the Site in 1998 from Joe Squeri. The on-Site building reportedly was constructed during the 1920s. Mr. Gary Walton of Llagas Valley Investments indicated that he was informed by the prior owner that a small kerosene UST had been filled with sand and abandoned in-place at the Site. Mr. Walton stated that a permit to abandon the UST had been granted by the City. In subsequent email correspondence, Mr. Walton stated that the UST reportedly is located below a concrete slab on the East Third Street side of the Site. No other information indicative of Recognized Environmental Conditions was provided on the questionnaire.

### 8.2 INTERVIEWS WITH CURRENT OCCUPANTS

During our Site visit, Mr. Brad Jones of BooksMart was briefly interviewed regarding his knowledge of the Option B Site. The information provided by Mr. Jones was described in Section 7.2.2. At the request of David J. Powers & Associates, no other current occupants were interviewed during this study.

### 8.3 INTERVIEWS WITH PREVIOUS OWNERS AND OCCUPANTS

Contact information for previous Site owners and occupants was not provided to us. Therefore, interviews with previous Site owners and occupants could not be performed.

## SECTION 9: FINDINGS, OPINIONS AND CONCLUSIONS (WITH RECOMMENDATIONS)

Cornerstone performed this Phase I ESA in general accordance to ASTM E1527-13 to support David J. Powers & Associates in evaluation of Recognized Environmental Conditions. Our findings, opinions and conclusions are summarized below.

### 9.1 HISTORICAL SITE USAGE

#### 9.1.1 Option A – City Owned Depot Street Parking Lot

Based on the information obtained during this study, the Option A Site was historically occupied by depot grounds with a railroad track spur on the northeastern portion of the Site. By the early 1960s, a rectangular building was constructed on the southeastern portion of the Site that was occupied by Ralston Purina Company until at least 1970. From at least 1973 to 1989, the building was occupied by freight distribution businesses including Yellow Freight Systems and Consolidated Freightways. In 1982, Jim Peterson (dba, Big Tow Service) occupied a portion of the Site. Building Department files indicate that Mr. Peterson operated a salvage yard. Other Site occupants consisted of Plywood Surplus Sales and South County Kitchens (1980s) and A Tool Shed Equipment Rental (1991). Between at least 1996 and 2004, the building was occupied by Elevator Design. The building was demolished in 2008 and the existing parking lot on the southeastern portion of the Site was constructed.

The existing Caltrain station building on the central portion of the Site, which consists of a small restaurant and passenger waiting areas, appears to have been constructed by 1993 and a parking lot appears to have concurrently been built on the northwestern portion of the Site.

#### 9.1.2 Option B – Booksmart Site

By at least 1908, the Option B Site was developed with a hotel on the northern corner of the Site, as well as a dwelling. The existing on-Site building reportedly was constructed in 1918 by the Farmers Union and used as a store and feed house. The Site reportedly was sold during the 1920s to Dee-Hi Fruit Products Company. During the 1920s, the Dee-Hi facility consisted a fruit dehydrator with a dipper (presumably a prune dipper), an evaporator, two warehouses and a storage building. Dee-Hi reportedly closed in 1933 and was purchased by its president A.G. Col. His sons ran the company until 1949 when the property was sold to the Poultry Producers of Central California (Nulaid Eggs) and the building was used as a shipping center for eggs and poultry feed. In 1960, it reportedly was converted into a hardware store and retail shops. From the 1970s to the present, a long list of commercial businesses have occupied the Site, mainly consisting of retail shops, restaurants, offices, hair salons, and construction related businesses (contractors, a plumbing business, and HVAC businesses), among others. An unpermitted automobile repair shop appears to have briefly occupied the Site in 1989, prior to being closed by the City. A railroad track spur was historically located on a portion of the Site that fronts Depot Street.

### **9.1.3 Option C – Sunsweet Site**

By at least 1908, the Option C Site was developed with multiple residences. By 1926, six residences remained on the southwest portion of the Site and the northeast portion of the Site was occupied by Sterling Lumber Company, with lumber sheds and an office structure.

The California Prune and Apricot Growers Association (aka., Sunsweet Dryers and Growers) began operating a fruit processing plant on adjacent off-Site property to the northeast during the early 1920s. The Sunsweet facility appears to have expanded onto the Site during the 1930s. By 1939, one of the four existing corrugated metal warehouse structures was constructed on-Site. Two prune drying structures also were located on-Site by 1941. The other existing warehouses appear to have been added during the 1940s and 1950s. Structures labeled "tunnels" and "dipper shed" on a 1985 HMBP were constructed by 1968. The tunnels structure and an equipment storage shed were subsequently demolished. The on-Site warehouses reportedly were used for storage of dried fruit bins, harvest bins, trays and miscellaneous parts and equipment. The "tunnels" building reportedly was used for tray storage.

The Sunsweet facility reportedly operated until 1987. A recycling center operated by Western Recycling was listed as an occupant of 91 East Fourth Street between 1990 and 1996. Western Recycling presumably occupied some portion of the Site, as well as the adjacent off-Site portion of the Sunsweet property.

## **9.2 CHEMICAL STORAGE AND USE**

### **9.2.1 Option A – City Owned Depot Street Parking Lot**

No information was identified during this study that indicates past occupants of the Option A Site used or stored large quantities of hazardous materials. In 1982, Mr. Jim Peterson (dba., Big Tow Service) reportedly operated an unpermitted salvage yard and left several automobile gasoline tanks on the Site. Salvage yard uses were not readily apparent on the 1981 aerial photograph; however, City issued a notice of violation in 1982 stating that a salvage yard was not permitted in light industrial zoning districts. Thus, this use of the Site appears likely to have occurred only for a short period. During the 1990s and 2000s, Elevator Design reportedly stored up to 35 gallons of stain, lacquer thinner, contact cement and acetone (stored in 1- and 5-gallon containers). Based on the information obtained during this study, no hazardous materials spills have been reported at the Site.

### **9.2.2 Option B – Booksmart Site**

On the 1926 Sanborn map, a note indicates that crude oil was used as a fuel source at the Dee-Hi Fruit Products Company facility; no specific tank locations are depicted. The current property owner indicated that what he believes was a kerosene tank was previously filled with sand and abandoned in-place on the East Third Street side of the Site. No information regarding the UST was identified in regulatory agency files researched during this study.

A large number of commercial businesses have historically occupied the on-Site building. Details regarding hazardous materials use by these tenants were not available in the data sources researched during this study. Most of the business types (e.g., retail stores, restaurants, offices, etc.) are not commonly associated with the use of hazardous materials. Others, such as the prior fruit processing facility, egg and poultry business, construction related businesses and auto repair

shop may have used or stored hazardous materials; however, no hazardous materials spills have been reported at the Site.

### **9.2.3 Option C – Sunsweet Site**

A 1985 HMBP for the Sunsweet facility indicates that no chemicals were stored in on-Site structures. No information was obtained during this study that indicates significant quantities of hazardous materials were used or stored by other past Site occupants (Sterling Lumber Company and Western Recycling).

## **9.3 POTENTIAL IMPACTS TO SOIL AND/OR GROUND WATER QUALITY**

### **9.3.1 Former UST**

An abandoned UST reportedly is present on the Option B Site. This UST has the potential to impact soil and ground water quality. We recommend that a geophysical survey be conducted to help evaluate the location of the UST, as well as subsequent sampling and laboratory analyses to evaluate soil and ground water quality.

### **9.3.2 Railroad Track Spurs**

Railroad track spurs were formerly located on the northeastern portion of the Option A Site and on a portion of the Option B Site that fronts Depot Street. Impacted soil near the former railroad tracks may be present. Assorted chemicals historically have been used for dust suppression and weed control along rail lines. Prior to Site development, we recommend evaluating soil quality along the former railroad track locations.

### **9.3.3 Reported Hydraulic Fluid Spill**

An October 4, 1996 letter from the DEH indicates that a surface release of hydraulic fluid occurred in the drying shed compartments at the Sunsweet facility. This spill was presumably located on the Option C Site. The letter states that sampling was performed after excavation and residual contaminant concentrations up to 1,160 mg/kg remain on the property (presumably hydraulic fluid in soil). The DEH indicated that no further action was required, except for the submittal of a map showing contaminant locations and payment of fees. The DEH also stated that construction in the contaminated areas should be limited and precautions should be taken to minimize worker exposure. Additional information regarding the hydraulic fluid release and its location should be requested from the property owner. If this information cannot be obtained, we recommend that a Site Management Plan (SMP) be developed to establish appropriate management practices for handling these materials, if encountered.

### **9.3.4 Lead-Based Paint and Termite Control Pesticides**

The Consumer Product Safety Commission banned the use of lead as an additive in paint in 1978. Based on the age of many of the buildings, lead-based paint may be present. The removal of lead-based paint is not required prior to building demolition if the paint is bonded to the building materials. However, if the lead-based paint is flaking, peeling, or blistering, it should be removed prior to demolition. In either case, applicable OSHA regulations must be followed; these include requirements for worker training, air monitoring and dust control, among others. Any debris containing lead must be disposed appropriately.

Additionally, soil adjacent to structures that are painted with lead-containing paint can become impacted with lead as a result of the weathering and/or peeling of painted surfaces. Soil near wood framed structures also can be impacted by pesticides historically used to control termites. Multiple residences were historically located on the Option C Site; a hotel and a residence also were historically located on the Option B Site. We recommend that soil sampling and laboratory analyses be conducted at planned earthwork locations that are adjacent to current or former wood framed structure foundations.

#### **9.4 POTENTIAL ENVIRONMENTAL CONCERNS WITHIN THE SITE VICINITY**

The 1926 and 1941 Sanborn maps depict a boiler house and a crude oil UST on the off-Site portion of the Sunsweet property, immediately adjacent to the Option C Site. Due to the proximity of the crude oil UST to the Option C Site, there is a potential that on-Site soil and ground water could be impacted if a release from the UST occurred. We recommend that additional information regarding the status of the crude oil UST be requested from the property owner and/or that soil and ground water sampling be conducted at on-Site locations in the vicinity of the UST.

The Sunsweet facility also is identified as a closed LUST case. Based on the information obtained during this study, this LUST case appears to be associated with a 500-gallon gasoline UST that was located on the eastern side of the Sunsweet office building adjacent to Depot Street (located off-Site on APN 726-13-044). Gasoline impacted soil reportedly was identified at the UST and dispenser locations. Ground water is noted to have been sampled on September 3 and October 23, 1986. Gasoline, benzene, toluene and xylenes reportedly were not detected in the ground water samples. Based on the reported ground water sampling results, the distance of the UST from the Site and the closed case status, the potential for the former gasoline UST to significantly impact the Site appears low.

#### **9.5 SITE MANAGEMENT PLAN**

Based on the long developed history of the Sites (mainly the Option B and C Sites), buried structures, wells, burn areas, debris, or impacted soil may be encountered during Site development activities; these materials may require special handling and disposal. To limit construction delays, we recommend that a Site Management Plan (SMP) be developed to establish appropriate management practices for handling these materials/structures, if encountered.

#### **9.6 ASBESTOS CONTAINING BUILDING MATERIALS (ACBMS)**

Due to the age of the structure on the Option B and C Sites, building materials may contain asbestos. If demolition, renovation, or re-roofing of a building is planned, an asbestos survey is required by local authorities and/or National Emissions Standards for Hazardous Air Pollutants (NESHAP) guidelines. NESHAP guidelines require the removal of potentially friable ACBMs prior to building demolition or renovation that may disturb the ACBM. Because the Morgan Hill Caltrain Station structure on the Option A Site was constructed during the 1990s, ACBM is not likely to be present.

## 9.7 IMPORTED SOIL

If the planned development will require importing soil for Site grading, we recommend documenting the source and quality of imported soil. The DTSC's October 2001 Clean Fill Advisory provides useful guidance on evaluating imported fill.

## 9.8 DATA GAPS

ASTM Standard Designation E 1527-13 requires the Environmental Professional to comment on significant data gaps that affect our ability to identify Recognized Environmental Conditions. A data gap is a lack of or inability to obtain information required by ASTM Standard Designation E 1527-13 despite good faith efforts by the Environmental Professional to gather such information. A data gap by itself is not inherently significant; it only becomes significant if it raises reasonable concerns. The following data gaps were identified:

- At the request of David J. Powers & Associates, the interiors of structures on the Option A and B Sites were not viewed, and the Option C Site was viewed only from the perimeter fence line.
- The environmental questionnaire provided for completion by the owner of the Option C Site was not returned to us as of the date of this report.
- Contact information for the former occupants and owners of the Site was not provided to us. Thus, former occupants and owners were not interviewed during this study. Similarly, only one of the current occupants was interviewed.
- To attempt to obtain additional information regarding the hydraulic fluid release on the Option C Site, Cornerstone has requested DEH files for 91 East Fourth Street; as of the date of this report, the DEH has not responded to this additional file review request.
- Electronic documents transferred to the City by the SCCFD at the end of their service contract are reportedly in a format that is not compatible with the City's document management system and, thus, were not available for review.

The general environmental setting of the Site appears to have been established based on the information reviewed from other data sources. However, the above data gaps may diminish our ability to identify Recognized Environmental Conditions.

## 9.9 DATA FAILURES

As described by ASTM Standard Designation E 1527-13, a data failure occurs when all of the standard historical sources that are reasonably ascertainable and likely to be useful have been reviewed and yet the historical research objectives have not been met. Data failures are not uncommon when attempting to identify the use of a Site at five year intervals back to the first use or to 1940 (whichever is earlier). ASTM Standard Designation E 1527-13 requires the Environmental Professional to comment on the significance of data failures and whether the data failure affects our ability to identify Recognized Environmental Conditions. A data failure by itself is not inherently significant; it only becomes significant if it raises reasonable concerns. The following data failures were identified:

- Due to the long developed history of the Sites, detailed information concerning past Site operations by some occupants was not readily available from the information sources reviewed during this study. The lack of this data can diminish our ability to identify Recognized Environmental Conditions.

## 9.10 RECOGNIZED ENVIRONMENTAL CONDITIONS

Cornerstone has performed this Phase I ESA in general conformance with the scope and limitations of ASTM E 1527-13. This assessment identified the following Recognized Environmental Conditions.

- An abandoned UST reportedly is present on the Option B Site. This UST has a potential to impact soil and/or ground water at the Site.
- Historic Sanborn maps depict a crude oil UST on the off-Site portion of the Sunsweet property, immediately adjacent to the Option C Site. This UST has a potential to impact on-Site soil and/or ground water quality.
- Soil adjacent to structures that are painted with lead-containing paint can become impacted with lead as a result of the weathering and/or peeling of painted surfaces. Soil near wood framed structures also can be impacted by pesticides historically used to control termites. There is a potential that residual lead and pesticide concentrations could remain in on-Site soil near former wood framed structures.
- Railroad track spurs were formerly located on the northeastern portion of the Option A Site and on a portion of the Option B Site that fronts Depot Street. Assorted chemicals historically have been used for dust suppression and weed control along rail lines. Impacted soil near the former railroad track spurs may be present.

This assessment identified the following Controlled Recognized Environmental Conditions<sup>1</sup>:

- Residual contaminants appear to remain in soil on the Option C Site resulting from a hydraulic fluid spill. No further action is currently being required; however, the DEH has stated that construction in the contaminated areas should be limited and precautions should be taken to minimize worker exposure.

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<sup>1</sup> A Recognized Environmental Condition that has been addressed to the satisfaction of the applicable regulatory agency with hazardous substances or petroleum products allowed to remain in place subject to the implementation of required controls or restrictions.

## SECTION 10: LIMITATIONS

Cornerstone performed this Phase I ESA to support David J. Powers & Associates in evaluation of Recognized Environmental Conditions associated with the Site. David J. Powers & Associates understands that no Phase I ESA can wholly eliminate uncertainty regarding the potential for Recognized Environmental Conditions to be present at the Site. This Phase I ESA is intended to reduce, but not eliminate, uncertainty regarding the potential for Recognized Environmental Conditions. David J. Powers & Associates understands that the extent of information obtained is based on the reasonable limits of time and budgetary constraints.

Findings, opinions, conclusions and recommendations presented in this report are based on readily available information, conditions readily observed at the time of the Site visit, and/or information readily identified by the interviews and/or the records review process. Phase I ESAs are inherently limited because findings are developed based on information obtained from a non-intrusive Site evaluation. Cornerstone does not accept liability for deficiencies, errors, or misstatements that have resulted from inaccuracies in the publicly available information or from interviews of persons knowledgeable of Site use. In addition, publicly available information and field observations often cannot affirm the presence of Recognized Environmental Conditions; there is a possibility that such conditions exist. If a greater degree of confidence is desired, soil, ground water, soil vapor and/or air samples should be collected by Cornerstone and analyzed by a state-certified laboratory to establish a more reliable assessment of environmental conditions.

Cornerstone acquired an environmental database of selected publicly available information for the general area of the Site. Cornerstone cannot verify the accuracy or completeness of the database report, nor is Cornerstone obligated to identify mistakes or insufficiencies in the information provided (ASTM E 1527-13, Section 8.1.3). Due to inadequate address information, the environmental database may have mapped several facilities inaccurately or could not map the facilities. Releases from these facilities, if nearby, could impact the Site.

David J. Powers & Associates may have provided Cornerstone environmental documents prepared by others. David J. Powers & Associates understands that Cornerstone reviewed and relied on the information presented in these reports and cannot be responsible for their accuracy.

This report, an instrument of professional service, was prepared for the sole use of David J. Powers & Associates and may not be reproduced or distributed without written authorization from Cornerstone. It is valid for 180 days. An electronic transmission of this report may also have been issued. While Cornerstone has taken precautions to produce a complete and secure electronic transmission, please check the electronic transmission against the hard copy version for conformity.

Cornerstone makes no warranty, expressed or implied, except that our services have been performed in accordance with the environmental principles generally accepted at this time and location.

## SECTION 11: REFERENCES

Arcadis. September 28, 2011. *Conceptual Site Model Report, Former BP Service Station No. 11224, 16995 Monterey Road, Morgan Hill, California. Local Oversight Program Case No: 09S3E2F01f.*

Circa: Historic Property Development. October, 2006. *Historic Context Statement for the City of Morgan Hill, Final Report.*



# CORNERSTONE EARTH GROUP

## Vicinity Map

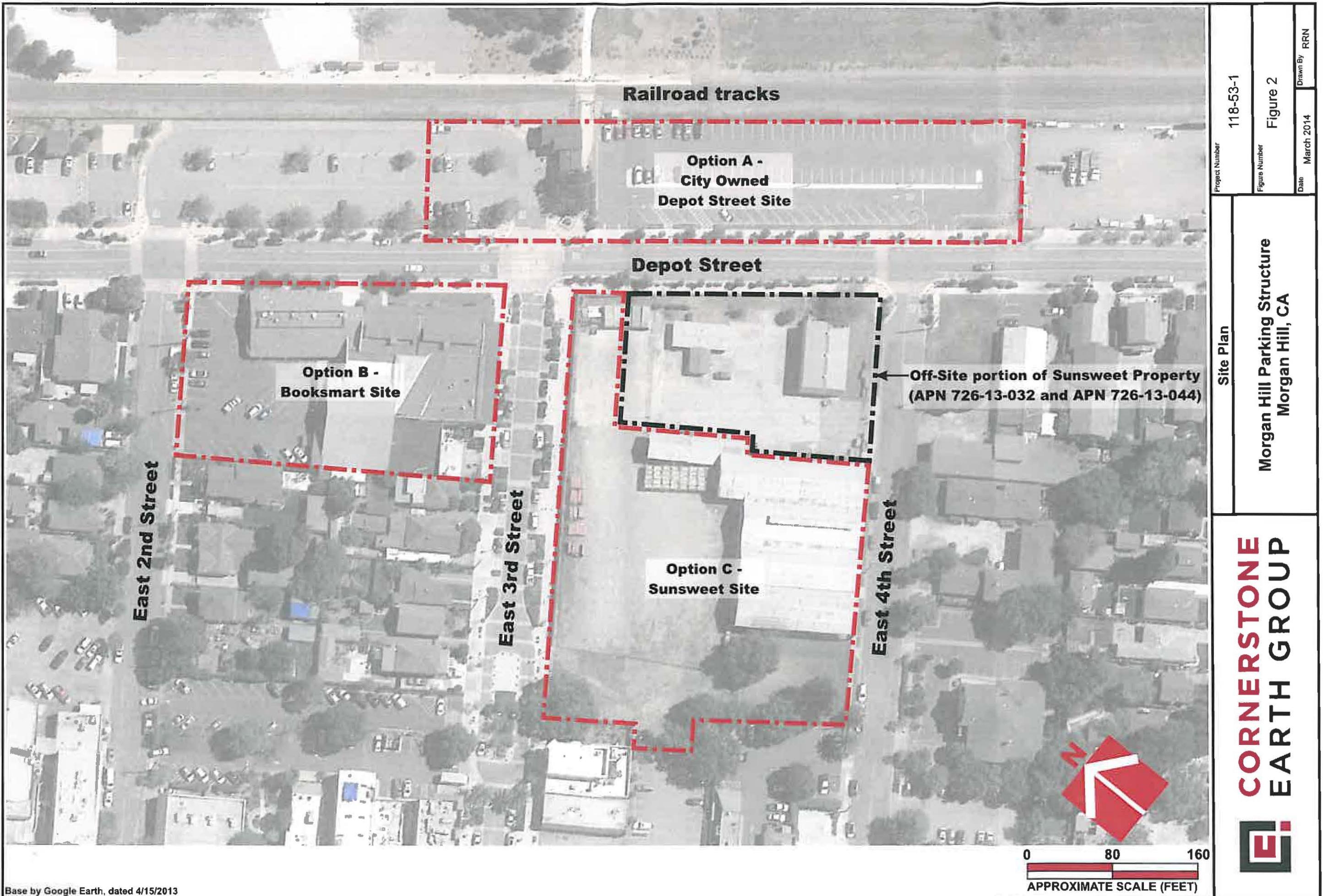
## **Morgan Hill Parking Structure Morgan Hill, CA**

Project Number

Figure Number

Date March 2014

Drawn By **BRN**



**APPENDIX A – DATABASE SEARCH REPORT**

**APPENDIX B – HISTORIC AERIAL PHOTOGRAPHS AND TOPOGRAPHIC MAPS**

**APPENDIX C – LOCAL STREET DIRECTORY SEARCH RESULTS**



## APPENDIX D – QUESTIONNAIRES



## APPENDIX E – SELECTED PRIOR REPORTS AND DOCUMENTS