

TECHNICAL MEMORANDUM

TO: Mr. Michael Okuma, Director of Real Estate Development

Costco Wholesale Corporation

FROM: Herbert (Bert) A. Vogler III, PG, Principal Hydrogeologist

Paolo Dizon, Project Manager

DATE: February 8, 2023 (Revised February 14, 2023)

SUBJECT: Response to Converse Consultants Updated Recommendation Letter

Westgate West – Former Midas Muffler

5287 Prospect Road San Jose, California

On behalf of and pursuant to the request of Costco Wholesale Corporation (Costco / Client), this Technical Memorandum was prepared by Kleinfelder, Inc. (Kleinfelder) to provide responses to a September 30, 2022 letter that was prepared and updated by Converse Consultants (Converse) on January 26, 2023.¹ The letter has the subject "Recommendation of No Further Environmental Action, Westgate West – Former Midas Muffler, 5287 Prospect Road, San Jose, California, Converse Project No. 16-42-194-15" and is addressed to Mr. Henry Avila of DS Westgate West, L.P. The letter presents a general summary of reports, prepared by Converse and others, that concern prior assessments of the property at 5287 Prospect Road (the Site). In it, Converse states that the letter presents "an overall evaluation of the data generated relative to current regulatory thresholds."

A third party is understood to have recently requested the preparation and submittal of a "formal review letter" regarding Kleinfelder's review of Converse's letter, and more specifically Kleinfelder's review of Converse's stated findings of "the absence of an actual significant vapor intrusion risk to occupants" of the Site's existing commercial building, and the subject of "lateral delineation" not being a significant concern. In response, Kleinfelder has prepared this Technical Memorandum.

Kleinfelder reviewed the volatile organic compound (VOC) laboratory analytical results summarized in Converse's letter for two sets of air samples. Converse collected the first set of samples inside and adjacent to the former Midas Muffler tenant suite of the Site's building during a 24-hour period beginning on May 26, 2022, using two air sampling canisters placed inside the former Midas Muffler tenant suite, one canister placed inside each of the two adjoining tenant suites, and two canisters placed at outdoor locations (for the collection of ambient air samples). Kleinfelder concurs, based on its review of the sampling results, that the VOCs tetrachloroethylene (PCE) and trichloroethylene (TCE) were not detected in the May 2022 air

¹ Converse, 2022. Letter with subject "Recommendation of No Further Environmental Action, Westgate West – Former Midas Muffler, 5287 Prospect Road, San Jose, California, Converse Project No. 16-42-194-15" addressed to Mr. Henry Avila of DS Westgate West, L.P. September 20. Revised January 26, 2023.

samples at concentrations above their respective laboratory reporting limits, each of which is below the respective VOC's current (July 25, 2019) San Francisco Bay Regional Water Quality Control Board (SFBRWQCB) Environmental Screening Level (ESL) for commercial/industrial indoor air.² Kleinfelder agrees this suggests intrusion of PCE and TCE into the former Midas Muffler tenant suite was not likely occurring at the time the samples were collected. Converse's second air sample set was collected during an approximate 8-hour period on January 12, 2023, using canisters placed at the same sampling locations of the May 2022 event. Kleinfelder concurs, based on its review of the sampling results for the second sample set, that TCE was detected in one ambient air sample but none of the indoor air samples, and PCE was detected in one ambient air sample and two indoor air samples. Kleinfelder further concurs that each reported PCE and TCE concentration was less than its respective residential air screening level, and that the maximum concentrations of both were in an outdoor air sample, indicating a potential ambient source for the PCE detected in the indoor air samples. Kleinfelder agrees the results of the two air sampling events suggest intrusion of PCE and TCE from the subsurface into the Site's tenant suite and the two adjoining tenant suites was not likely occurring at the times the air samples were collected.

Finally, Converse's letter mentioned that Kleinfelder had previously discussed the VOC carbon tetrachloride as being a chemical of concern for soil vapor beneath the Site. Converse commented that it believed the carbon tetrachloride concentrations of soil vapor samples previously collected at the Site by Kleinfelder had been compared to the SFBRWQCB's January 2019 air ESLs for carbon tetrachloride instead of its current air ESLs. In response, Kleinfelder acknowledges that the reported carbon tetrachloride concentrations in the soil vapor samples are below its current (July 2019) SFRWQCB ESLs for soil vapor, and agrees that no further lateral assessment for carbon tetrachloride at the Site seems warranted.

² SFBRWQCB, 2022. ESL Workbook and Summary Tables, Revision 2. July 29.