Golder Associates Inc.

4730 N. Oracle Road, Suite 210 Tucson, Arizona USA 85705 Telephone: (520) 888-8818 Fax: (520) 888-8817



PHASE I ENVIRONMENTAL SITE ASSESSMENT FORESTED LAND T14N, R12E, SECTION 9 COCONINO COUNTY, ARIZONA

Submitted to:

The Trust for Public Land Western Region - Southwest Office 418 Montezuma Avenue Santa Fe, NM 87501

Submitted by:

Golder Associates Inc. 4730 North Oracle, Suite 210 Tucson, Arizona 85705

Distribution:

3 Copies - The Trust for Public Land 1 Copy - Golder Associates Inc., Tucson

May 23, 2005 053-2522

EXECUTIVE SUMMARY

At the request of Mr. Greg Hiner of The Trust for Public Land, Golder Associates Inc. (Golder) performed a Phase I Environmental Site Assessment (ESA) of a forested property comprising all of Township 14 North, Range 12 East, Section 9, Gila and Salt River Baseline and Meridian in Coconino County, Arizona (herein referred to as the subject property or Site). The scope of the ESA was in general accordance with the American Society for Testing and Materials E 2247-02 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process for Forestland or Rural Property (the ASTM standard).

The objective of the ESA was to provide a preliminary evaluation of the presence, use, or release on the subject property of hazardous substances or petroleum products such as are defined in the ASTM standard as a recognized environmental condition. The ESA included a Site reconnaissance and interviews in accordance with the ASTM standard.

The subject property consists of an approximately 640-acre parcel of essentially undeveloped land located within the Coconino National Forest. Recreational and logging are the only known current and historical uses of the subject property. A small stock-watering tank located near the southern section line does not represent an environmental concern for the subject property.

The subject property is composed of a rugged upland cut by East Clear Creek, a perennial stream. No structures were noted on the Site. Access is via hiking trails (at Mack's Crossing) or unmaintained dirt roads. Elevations at the subject property range between 6,820 feet (southern section line) and 6,200 feet (East Clear Creek) above mean sea level. The general topographic gradient of the uplands is sloping down to the north; East Clear Creek flows to the east-northeast.

Neither the subject property nor any parcels within 1 mile of the subject property were identified in a 2001 search of environmental databases (per our proposed Scope of Work, a current database search was not performed for this project). No evidence of environmental impairment was observed during the site reconnaissance or identified during the research portion of this investigation.

This assessment has revealed no recognized environmental conditions or historical recognized environmental conditions in connection with the subject property. The following potential environmental concerns were identified:

- Although unlikely, upstream activities could introduce contaminants in East Clear Creek. The Site owner would not be liable for this potential occurrence, although the value of the subject property could be adversely affected.
- Lubricants and fuel could have been spilled on Site soils during the years when
 active logging occurred. These releases, if extant, are expected to be of a de minimis
 nature.

In light of the information presented herein, a low environmental risk is associated with the subject property and no further investigation or remedial action are warranted at this time.

Golder has performed a Phase I ESA in conformance with the scope and limitations of ASTM Standard Practice E 2247-02 of the subject property comprising all of Township 14 North, Range 12 East, Section 9, Coconino County, Arizona. Exceptions to, or deletions from, the Standard Practice are described in the corresponding sections of this report.

TABLE OF CONTENTS

	INTRO	ODUCTION	1
1.1	Sul	bject Property	1
1.2	Pu	rpose and Scope of Services]
1.3			
1.4	•		
	SITE I	DESCRIPTION	5
2.2		A •	
2.3			
2.4			
2.5			
-			
-			
3.3		·	
		5 1	
		·	
		*	
	3.3.6	Title Report	. 10
–		· · · · · · · · · · · · · · · · · · ·	
		•	
		•	
	2		
4.9			
		-	
4.13			
4.10	6 Int	erviews	. 13
4.1	7 Otl	ner Considerations	. 13
	FINDI	NGS AND CONCLUSIONS	. 14
5.1	Re	cognized Environmental Conditions	. 14
	1.1 1.2 1.3 1.4 2.1 2.2 2.3 2.4 2.5 3.1 3.2 3.3 4.1 4.2 4.3 4.4 4.1 4.1 4.1 4.1 4.1 4.1 4.1 4.1	1.1 Sul 1.2 Pur 1.3 Spe 1.4 Lir 1.3 Spe 1.4 Lir 1.4 Lir 1.4 Lir 1.5 SITE I 2.1 Pro 2.2 Site 2.3 Add 2.4 Phy 2.5 Cur 1.5 RECO 3.1 Sta 3.2 His 3.3 Sun 3.3.1 3.3.2 3.3.3 3.3.4 3.3.5 3.3.6 SITE F 4.1 Sun 4.2 Ev: 4.3 Fue 4.4 Un 4.5 Ab 4.6 Hy 4.7 Pol 4.8 Sol 4.9 Ha: 4.10 Sta 4.11 Oil 4.13 Wa 4.14 We 4.15 Asi 4.16 Into 4.17 Oth FINDI	1.1 Subject Property 1.2 Purpose and Scope of Services 1.3 Special Terms and Conditions 1.4 Limiting Conditions 1.5 STITE DESCRIPTION 2.1 Property Location 2.2 Site Characteristics 2.3 Adjacent Properties and Uses 2.4 Physical Setting 2.5 Current Uses of Site RECORDS REVIEW 3.1 Standard Environmental Record Sources 3.2 Historical Use Information 3.3 Summary 3.3.1 Aerial Photographs 3.3.2 Historical Topographic Maps. 3.3.3 Coconino County Assessor Records 3.3.4 City Directories 3.3.5 Prior Environmental Reports 3.3.6 Title Report SITE RECONNAISSANCE 4.1 Summary of Observations 4.2 Evaluation of Specific Concerns 4.3 Fueling and Maintenance Operations 4.4 Underground Storage Tanks 4.5 Aboveground Storage Tanks 4.6 Hydraulic Oil Equipment 4.7 Polychlorinated Biphenyls 4.8 Solid Waste 4.9 Hazardous Waste 4.10 Stained Soil or Pavement 4.11 Oil-water Separators, Clarifiers, or Sumps 4.12 Floor Drains 4.13 Wastewater and Stormwater Discharge 4.14 Wells 4.15 Asbestos 4.16 Interviews. FINDINGS AND CONCLUSIONS

	5.2 5.3		
6.0		SIGNATURES OF ENVIRONMENTAL PROFESSIONALS	15
7.0		QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONALS	16
8.0		REFERENCES	17

LIST OF FIGURES

Figure 1 Site Location Map
Figure 2 Aerial Photograph (1997)
Figure 3 Site Plan (topographic map)

LIST OF PHOTOGRAPHS

Photograph 1 View from center of section to the southwest.
Photograph 2 Cattle tank along southern section boundary.
Photograph 3 View from eastern edge of section to west.
Photograph 4 Close-up of East Clear Creek, center of section.
Photograph 5 View from eastern edge of section to north.
View from northern edge of section to south.

1.0 INTRODUCTION

1.1 Subject Property

This report presents the findings of the Golder Associates Inc. (Golder) Phase I Environmental Site Assessment (ESA) of a forested property comprising all of Township 14 North, Range 12 East, Section 9, Gila and Salt River Baseline and Meridian in Coconino County, Arizona (subject property or Site, Figure 1). Golder was retained by and the ESA was prepared for The Trust for Public Land (TPL).

1.2 Purpose and Scope of Services

It is our understanding that TPL is interested in purchasing the subject property. The purpose for conducting this ESA is to permit TPL to satisfy one of the requirements to qualify for the innocent landowner defense to Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) liability as defined in 42 USC § 9601(35)(B). Secondarily, the purpose for conducting this ESA is to evaluate business environmental risk defined as a risk that can have a material environmental or environmentally driven impact on the business associated with the current or planned use of the subject property.

This Phase I ESA was conducted to identify recognized environmental conditions (RECs) in connection with the subject property, in accordance with the scope of work identified by the American Society for Testing and Materials (ASTM) Practice E 2247-02 Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process for Forestland or Rural Property (the ASTM standard). The ASTM standard defines RECs as "the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of release of any hazardous substances or petroleum products into structures on the property or into the ground, ground water or surface water of the property. The term includes hazardous substances or petroleum products even under conditions in compliance with laws." The ASTM standard is commonly referred to as the "Due Diligence" standard, in reference to the CERCLA innocent landowner defense from environmental liabilities. One requirement of the defense is that individuals or corporations intending to purchase property conduct all appropriate inquiry into the previous ownership and uses of the property, consistent with good commercial or customary practice. The scope of work for this ESA was conducted in accordance with the ASTM standard and consisted of the following tasks:

- Records Review The purpose of the records review is to obtain and/or review
 records that may help identify an REC in connection to the subject property.
 Records reviewed include environmental databases maintained by federal and state
 agencies, historical use records, local agency or municipal records, physical setting
 sources, and aerial photography.
- **Site Reconnaissance** The purpose of the site reconnaissance is to obtain information that may help identify an REC in connection with the subject property. Information is obtained by conducting a visual assessment; determining the past and current uses of the Site; determining the past and current uses of adjoining properties; reviewing geologic, hydrogeologic, and topographic Site conditions; and identifying public thoroughfares, potable water supply, and sewage disposal systems.
- Interviews The purpose of the interviews is to obtain information that may help identify an REC in connection to the subject property. Interviews are typically conducted with the owner or owner's representative, occupants, and local government officials, as applicable. Interviews are conducted to identify site history, helpful documents, and proceedings involving the property.
- Evaluation and Report Preparation This report documents the findings, opinions, and conclusions of the Phase I ESA conducted at the subject property and provides the supporting documentation and references for those findings, opinions, and conclusions.

1.3 Special Terms and Conditions

This assessment was conducted in accordance with the ASTM standard. Accordingly, no evaluation was completed with respect to the following environmental issues as part of this project, although mention is made in the text, as appropriate:

- asbestos-containing materials (ACMs),
- radon.
- lead-based paint,,
- lead in drinking water,
- wetlands.
- regulatory compliance,
- cultural and historic resources,
- industrial hygiene,
- health and safety,

- ecological resources,
- endangered species,
- indoor air quality, and
- high voltage powerlines.

1.4 Limiting Conditions

Golder's professional services were performed, our findings were obtained, and this report was prepared in accordance with standard professional principles and practices in the fields of environmental science and site assessment. This representation is in lieu of all other representations, either expressed or implied. Additionally, it must be noted that no investigation can absolutely rule out the existence of any hazardous materials at a given facility.

Information regarding Site conditions presented in this Phase I ESA report is based on observable surficial conditions at the Site. Surficial environmental assessments are inherently limited in the sense that conclusions are drawn and recommendations are developed based on information obtained from non-intrusive Site evaluation and generally available, non-proprietary data. Subsurface conditions were not investigated as part of the Phase I ESA investigation.

Findings presented in this report are based on select publicly available information, interviews with person(s) knowledgeable of historical Site operations, and conditions observed at the time the Site inspection was conducted. Golder cannot accept responsibility for any deficiencies, mis-statements, or inaccuracies contained in this report that have resulted from inaccuracies in the publicly available regulatory or information obtained from interviews during the Phase I ESA investigation.

An environmental regulatory database search of U.S. Environmental Protection Agency (EPA), Arizona Department of Environmental Quality (ADEQ), and some local agency records for the general area of the Site was performed by Environmental Data Resources, Inc. (EDR) in 2001. Golder has performed a review of the regulatory database search provided by EDR and we have summarized regulatory enforcement activities at selected facilities in the vicinity of the property in this report. Although Golder cannot verify the accuracy of the EDR report, or the completeness of the databases that were used by EDR for the regulatory database search, the services provided by this company are believed to be consistent with the industry standard in the fields of environmental science and site assessment.

No evaluations of the potential for ACMs, radon, lead-based paint, or lead in drinking water were performed. No wetland surveys were conducted, no ecological resources evaluations were performed, and no other non-scope considerations listed in Section 12.1.4 of the ASTM E-2247-02 guideline were performed.

Golder is not engaged in environmental reporting for the purpose of advertising, sales promotion, or endorsement of any client's interest, including raising investment capital, recommending investment decisions, or other publicity purposes. Our client acknowledges that this report has been prepared for the exclusive use of TPL and agrees that Golder reports and correspondences will not be used nor relied upon in any prospectus or offerings circular.

2.0 SITE DESCRIPTION

2.1 Property Location

The subject property comprises all of Section 9, Township 14 North, Range 12 East (Gila and Salt River Baseline and Meridian), in Coconino County, Arizona (Figure 1). The subject property is a private in-holding within the Coconino National Forest.

2.2 Site Characteristics

The subject property is composed of an approximately 640-acre parcel of rugged upland traversed by East Clear Creek. No structures were noted on the Site. Access is via hiking trails (at Mack's Crossing) or unmaintained dirt roads. The Site is apparently unzoned; the land use is listed as "Ranch Property" (Coconino County Assessors Office [Coconino County], 2005).

2.3 Adjacent Properties and Uses

The subject property is located in an area of great relief. Uplands and north-facing slopes are forested, south-facing slopes are generally scrub vegetation, and areas proximal to East Clear Creek consist of riparian vegetation. The following adjacent properties were observed:

- **North** The subject property is bordered to the north by forested uplands. A steep intermittent tributary is located in the south part of Section 4.
- **Northwest** The subject property is bordered to the northwest (Section 5) by a residential housing development. During a drive-through of this development, no environmental concerns were noted by Golder.
- East The subject property is bordered to the east by Section 10, a part of the Coconino National Forest. Vegetation and terrain in this section are similar to that of the subject property, except that uplands predominate and canyons are only located along the perimeter of the section. The Golder representative visited this section via Forest Road (FR) 137E; no environmental concerns were noted by Golder.
- **South** The subject property is bordered to the east by Section 16, a part of the Coconino National Forest. Vegetation and terrain in this section are similar to that of the subject property, except that uplands predominate. The Golder representative visited this section via FR 137G; no environmental concerns were noted by Golder.
- West The subject property is bordered to the west by Section 8, a part of the Coconino National Forest. Terrain in this section is similar to that of the subject property. A four-wheel drive road (now closed) connects the uplands to Mack's Crossing (of East Clear Creek).

2.4 Physical Setting

Elevations at the subject property range between 6,820 feet (southern section line) and 6,200 feet (East Clear Creek) above mean sea level (amsl) according to the Leonard Canyon, Arizona topographic quadrangle map (U.S. Geological Survey [USGS], 1965). The general topographic gradient of the uplands is sloping down to the north; East Clear Creek flows to the east-northeast.

Hydrogeologically, the subject property is located in the Little Colorado River Multi-Objective Management Area. The Little Colorado River drains much of northern Arizona and is a free-flowing tributary to the Colorado River. Aquifers of the Little Colorado River Plateau basin contain large quantities of groundwater in storage; however, they are in a sensitive relationship with the Little Colorado River and its perennial tributaries (Arizona Department of Water Resources, 2005). Most groundwater within the basin is contained within sandstone and limestone aquifers, with minor storage in unconsolidated alluvial sediments.

The section of East Clear Creek that crosses the subject property supports a perennial flow. A water quality monitoring station is located on East Clear Creek at Mack's Crossing, adjacent to Section 9. Analytical results suggest that all chemical constituents in the stream are within acceptable water quality standards for the support of cold water fisheries habitat (U.S. Forest Service [USFS], 1976). More recent data from the EPA (EPA, 2002) suggests that water quality in East Clear Creek is fully supportive of agricultural use; fish, shellfish, and wildlife protection and propagation; and primary contact recreation.

Groundwater at the subject property has a hydrologic connection with East Clear Creek. Therefore, depths to water in the upland portion of the subject property are expected to be approximately 500 to 600 feet below ground surface.

Surficial soils near the Site consist of Wildcat, Jack's, and Tortugas soil groups (Soil Conservation Service, 1974 and USFS, 1976). Wildcat soils include gravelly fine sand loam and very rocky loam. These are poorly drained soils developed on nearly level to hilly terrain. Wildcat soils have a moderate erosion hazard and generally low shrink-swell potential (increasing to high shrink-swell potential with increased clay content). Jacks fine sandy loam are well-drained, residual soils developed on limestone and sandstone uplands dissected by numerous drainages. Jacks soils have a moderate erosion hazard and moderate to high shrink-swell potential. Tortugas extremely rocky

complex are well-drained, residual soils developed on limestone, sandstone, and shale uplands. Tortugas soils have a moderate erosion hazard and a low shrink-swell potential. A considerable extent of Rockland also is present. Rockland denotes vertical to near-vertical exposures of Kaibab Limestone and Coconino Sandstone. Soils developed in the rockland exposures resemble Tortugas Series soils (described below).

2.5 Current Uses of Site

At the time of the Site visit (April 27, 2005), no use of the subject property other than potential recreational use (hiking, camping, etc.) was noted.

3.0 RECORDS REVIEW

3.1 Standard Environmental Record Sources

During Golder's original Phase I ESA of the Site (Golder, 2001), a commercial database search firm, EDR of Milford, Connecticut, was used to research federal and state standard environmental record sources. A summary list of federal, state, and county databases searched by EDR follows:

- Federal National Priorities List (NPL) and Delisted NPL; Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS); No Further Remedial Action Planned Sites (CERCLIS-NFRAP); Resource Conversation and Recovery Information System - Treatment Storage and Disposal Facilities (RCRIS-TSD); Resource Conservation and Recovery Information System - Small- and Large-Quantity Generators (RCRIS-SQG/LQG); Emergency Response Notification System (ERNS); and EPA Facility Index System (FINDS).
- State of Arizona ASTM Records Superfund Program List (SPL), Leaking Underground Storage Tank List (LUST), State Hazardous Waste Sites (SHWS), Licensed Solid Waste Facilities (LF), and Underground Storage Tank Facility List (UST).
- State of Arizona ASTM Supplemental Records Aboveground Storage Tank sites (AST), Spills sites (SPILLS), Department of Defense Sites (DOD), Wastewater Treatment Facilities (WWFAC), Wastewater Treatment Facilities with Aquifer Protection Permit (APP), Arizona Airs Database (AIRS), and Drywells.

The subject property was not identified in any of the databases searched by EDR. In addition, no parcels within 1 mile of the subject property were identified in the 2001 EDR report. As per our Scope of Work, an updated EDR database search was not performed as part of this investigation.

3.2 Historical Use Information

Several historical sources were reviewed including historical topographic maps and Coconino County Assessor's records (USGS, 1965 and Coconino County, 2005). The historical sources were synthesized into the following historical summary of the subject property. Observations, indications, or references of recognized environmental conditions or other potential environmental concerns in the reviewed historical sources are discussed in the summary.

3.3 Summary

The Site is forested land, consisting of second-growth ponderosa trees mixed with pinyon-juniper/scrub oak woodland. Riparian conditions exist along East Clear Creek. Historical

use at the Site likely consisted of recreational and logging use; recreational use continues to the present.

3.3.1 Aerial Photographs

Prior to the Site visit, aerial photography (1997, Figure 2) was reviewed at the USGS Terraserver website (USGS, 1997). No evidence of structures, ground disturbance other than dirt roads, or other environmental concerns was noted.

3.3.2 Historical Topographic Maps

The subject property is located within the Leonard Canyon, Arizona 7.5-minute topographic quadrangle map (USGS, 1965); this map was reviewed at the Phoenix Burton Barr Public Library. This map depicts no structures on the subject property. A copy is included as Figure 3. The following maps also were reviewed:

- The Quayle Hill, Arizona 7.5-minute topographic quadrangle map (USGS, 1971), which currently includes the small housing development northwest of the subject property. No evidence of the current development was noted on this map.
- Arizona Department of Transportation mapping (1971, 1:125,000 scale). This map also does not depict any structures or major road at the Site, but does show the road grid in the aforementioned adjacent housing development. Therefore, it is likely that the development was started on or about this date.
- The Holbrook, Arizona topographic quadrangle map (USGS, 1954, 1:250,000 scale). Although this map also does not depict any structures or major road at the Site, the scale is likely insufficient to show all but the largest of features. Mack's Crossing (pack trail, four-wheel drive road) is depicted near the western edge of the Site (Leonard Canyon map).

3.3.3 Coconino County Assessor Records

Coconino County Assessor records were reviewed on-line. The website suggests that the Site (Parcel #403-13-006E) is owned by Clear Creek 640 LLC, as recorded in June 2002 (Coconino County, 2005).

3.3.4 City Directories

Due to the undeveloped nature of the Site, city directories were not reviewed as part of this assessment.

3.3.5 Prior Environmental Reports

Golder completed a Phase I ESA for the Site (as part of a larger parcel) in 2001 (Golder, 2001). At that time, no recognized environmental conditions associated with the Site were identified.

3.3.6 Title Report

No title documents were provided to Golder during the performance of this ESA.

4.0 SITE RECONNAISSANCE

4.1 Summary of Observations

Mr. Steve Wilson of Golder visited the Site on April 27, 2005. Mr. Wilson was unaccompanied. No structures were observed at the Site. The Site is accessed from the south using FR 137G, from the east using FR 137E, and from the north using several dirt roads (including the historical trail to Mack's Crossing) leading from the small "ranchette-style" housing development in Section 5. No evidence of dumping, grading, or other land disturbance was observed. Roads leading to the Site are dirt and were muddy at the time of the Site Reconnaissance; FR 137G was quite rutted up to the southern Site boundary. No evidence of recent logging activities (slash piles, blazes) was observed at the Site.

A small stock-watering tank was observed west of FR 137G, near the southern section line. The tank is difficult to discern on aerial photographs of the Site; therefore, it is not known whether this tank is contained within the boundaries of the Site. Irrespective of location, this tank does not represent an environmental concern for the subject property.

4.2 Evaluation of Specific Concerns

No specific concerns were conveyed to Golder by TPL.

4.3 Fueling and Maintenance Operations

Mr. Atchison (Section 4.16) reported that historical logging activities were occasionally linked with improper maintenance of logging equipment (e.g., on-site oil changes, fueling, etc.). No evidence of these activities was noted.

4.4 Underground Storage Tanks

No evidence of current USTs was observed at the subject property, and none were reported in the 2001 EDR search of the ADEQ UST database.

4.5 Aboveground Storage Tanks

No ASTs were observed at the subject property.

4.6 Hydraulic Oil Equipment

As noted by Mr. Atchison, maintenance of logging equipment may have occurred on the subject property. No evidence of hydraulic equipment, nor leakage from such equipment, was observed.

4.7 Polychlorinated Biphenyls

No transformers or powerlines were observed on the subject property, and the presence of polychlorinated biphenyls in Site soils in considered unlikely.

4.8 Solid Waste

Golder noted no improper solid waste disposal practices during the site reconnaissance.

4.9 Hazardous Waste

Golder did not note the presence of hazardous waste during the site visit.

4.10 Stained Soil or Pavement

No stained soil was observed on the subject property. No pavement exists on the subject property.

4.11 Oil-water Separators, Clarifiers, or Sumps

No clarifiers, oil-water separators, or sumps were observed on the subject property.

4.12 Floor Drains

No structures, and hence no clarifiers, oil-water separators, or sumps were observed on the subject property.

4.13 Wastewater and Stormwater Discharge

No wastewater is generated on site.

Stormwater at the subject property infiltrates Site soils and/or is collected in East Clear Creek and intermittent tributaries to East Clear Creek.

4.14 Wells

No wells were observed on the subject property during the site reconnaissance, nor were any reported by the 2001 EDR database search.

4.15 Asbestos

No structures were observed on the subject property, nor was evidence of dumped materials. Therefore, the potential for on-site ACMs in considered low.

4.16 Interviews

Golder interviewed the following persons familiar with the Site:

- Mr. Darryl Atchison, Fire Prevention Officer, USFS. Mr. Atchison was interviewed at the Blue Ridge Ranger Station (located approximately 5 miles west of the Site) on April 27, 2005. Mr. Atchison reported that due to the long and somewhat rugged access to the Site, that illegal dumping was not likely to occur. He did report that historical logging activities were occasionally linked with illegal maintenance of logging equipment (e.g., on-site oil changes, fueling, etc.).
- Ms. Kathy Taylor, Wildlife Biologist, USFS. Ms. Taylor was interviewed at the Blue Ridge Ranger Station, on April 27, 2005. Ms. Taylor reported that some illegal trail building was occurring on the northern part of Section 9 (e.g., trails leading from the housing development in Section 4 down to East Clear Creek). This is not considered a recognized environmental condition for the subject property.
- Mr. Dan Dempsey, Phelps Dodge Company (PD; previous owner of the Site). An e-mail interview with Mr. Dempsey was conducted on April 28, 2005. Mr. Dempsey reported that PD sold this property on December 10, 2001. Between the date of Golder's original Phase I of the Site (Golder, 2001) and December 10, 2001, no PD-sponsored activities of any kind occurred at the Site.
- Mr. D. Highly Falkner of Clear Creek 640 LLC, current owner of the subject property. A telephone interview with Mr. Falkner was conducted on April 29, 2005.
 Mr. Falkner reported that Clear Creek 640 LLC purchased the Site from Canyon Point LLC in June 2002, and that he was unaware of any use of the Site other than recreational (hiking, camping), since the purchase date.

Additional information from these interviews is presented throughout this report.

4.17 Other Considerations

The status of the southwestern (Arizona) toad is apparently secure to vulnerable (USFS, 2004). This toad is usually associated with the pine-oak belt, generally prefers rocky streams and canyons in upland desert and evergreen woodland plant communities, and occurs at elevations ranging from near sea level to 8,000 feet. Arizona toads have been documented at three locations in East Clear Creek, including an adjacent section (Section 8) (USFS, 2004).

5.0 FINDINGS AND CONCLUSIONS

Golder has prepared this Phase I ESA in accordance with the scope and limitations of ASTM Practice E 2247-02 of a forested property comprising all of Township 14 North, Range 12 East, Section 9, in Coconino County, Arizona.

In the professional opinion of Golder, an appropriate level of inquiry has been made into the previous ownership and uses of the property consistent with good commercial and customary practice in an effort to minimize liability. This assessment has revealed the following evidence of recognized environmental conditions in connection with the subject property.

5.1 Recognized Environmental Conditions

No RECs were noted in connection with the subject property.

5.2 Historical Recognized Environmental Conditions

A historical REC includes an environmental condition that may have been considered an REC in the past and might have left contamination on the subject property, but has been addressed to the satisfaction of the responsible government regulatory agencies.

No environmental conditions associated with the former use of the Site were identified during the Phase I ESA.

5.3 Potential Environmental Concerns and De Minimis Conditions

The following potential environmental concerns were identified:

- Although unlikely, upstream activities could introduce contaminants in East Clear Creek. The Site owner would not be liable for this potential occurrence, although the value of the subject property could be adversely affected.
- Lubricants and fuel could have been spilled on Site soils during the years in which
 active logging occurred. These releases, if extant, are expected to be of a de minimis
 nature.

In light of the information presented herein, a low environmental risk is associated with the subject property and no further investigation or remedial action are warranted at this time.

6.0 SIGNATURES OF ENVIRONMENTAL PROFESSIONALS

This report is respectfully submitted to The Trust for Public Land. If you have questions or require additional information, please contact Steve Wilson at (520) 888-8818 or (520) 490-1479 (cell)

Sincerely,

GOLDER ASSOCIATES INC.

Steve Wilson, R.G. Environmental and Engineering Geologist Jane P. Mills, CSP, CHMM Senior Consultant/Associate

7.0 QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONALS

Steve Wilson, R.G.

Mr. Wilson is a Senior Geologist with Golder's Tucson, Arizona office. Mr. Wilson has a B.S. in Geology with a minor in Cartography. Mr. Wilson has 15 years of experience in performing and managing numerous environmental projects at sites in Arizona, New Mexico, Texas, California, and Latin America. Mr. Wilson has been responsible for industrial and commercial projects involving Phase I and II environmental assessment, UST removals, remediation, treatment, and site closure activities. His responsibilities include technical and financial administration of projects and portfolios of properties, preparation of proposals, preparation of reports, preparation of state-required documents, and the resolution of environmental issues.

Jane P. Mills, CSP, CHMM

Ms. Mills has a B.S. in Civil Engineering and an M.S. in Occupational Safety and Health. She has worked for over 18 years providing health and safety services in conjunction with environmental evaluation, measurement, analysis, and corrective action design consulting services. Ms. Mills is experienced in performing environmental compliance audits, indoor air quality investigations relative to industrial emissions, noise assessment and new source modeling, measurement of other worker exposure parameters, and environmental remediation design and implementation. She has worked with clients during the acquisition and disposition of industrial, commercial, multi-family residential, and publicly owned properties. Ms. Mills is experienced in performing multi-site evaluations and understands environmental and safety issues from the view of the client. Assessing project objectives and developing strategies to ensure appropriate, economical responses to meet business and regulatory requirements are priorities. Her recent projects include environmental permit-related studies for new power generating facilities in the Northwest, a multi-media environmental audit of a waste-to-energy power plant, environmental audits of 40 industrial business parks throughout the west coast, and exposure monitoring during the mass excavation of a state-listed contaminated development site.

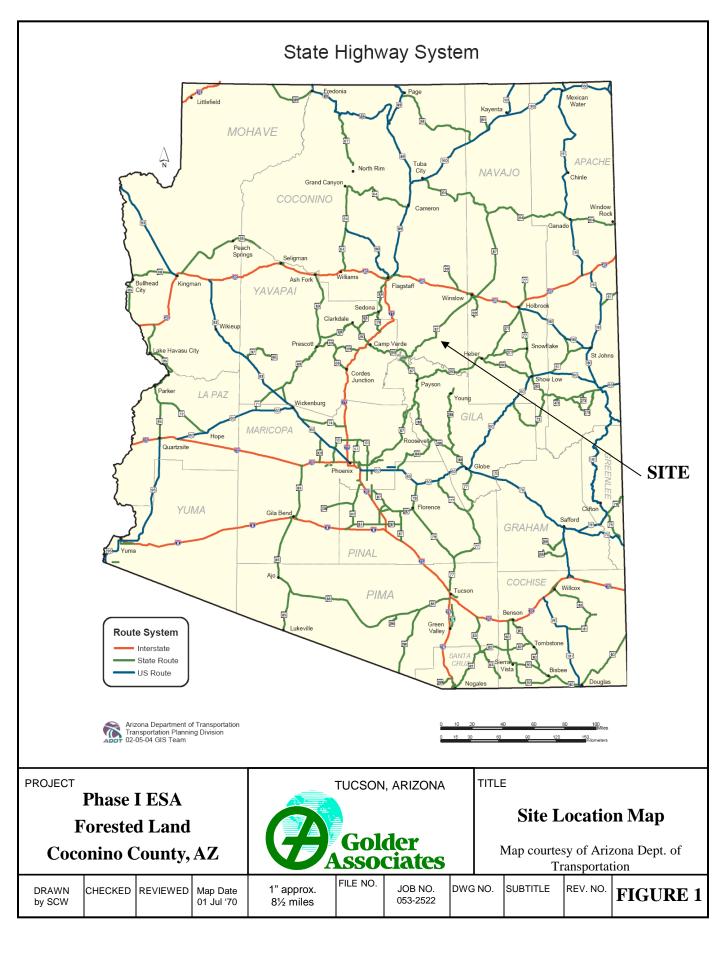
8.0 REFERENCES

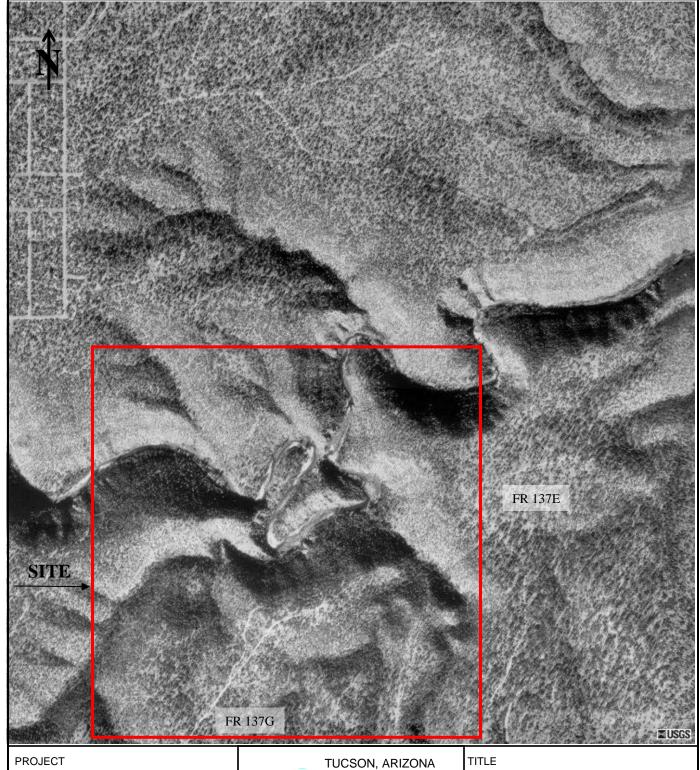
- American Society for Testing and Materials. Standard Practice for Environmental Site Assessments:

 Phase I Environmental Site Assessment Process for Forestland or Rural Property.

 Designation: E 2247-02.
- Arizona Department of Water Resources, 2005. Website http://www.water.az.gov/watershed/content/map/LitColRivMulObj.htm. Accessed April 29, 2005.
- Coconino County Assessors Office, 2005 Interactive website http://co.coconino.az.us/assessor/. Accessed April 28 and 29, 2005.
- Golder Associates Inc., 2001. *Phase I Environmental Site Assessment, Aztec Lands near Blue Ridge, Arizona*. Prepared for Ryley Carlock & Applewhite. July 2001.
- U.S. Forest Service (USFS), 1976. Copper Basin Land Exchange, Draft Environmental Statement.
- USFS, 2004. Existing and Desired Condition, Specialist Report for the Anderson Mesa Landscape Scale Assessment, Wildlife Resources. Prepared by Henry Provencio and Deb McGuinn, January 8, 2004.
- Soil Conservation Service, 1974. Soil Survey of Long Valley Area, Arizona. June 1974.
- U.S. Environmental Protection Agency, 2002. Water Quality Assessment Database, http://oaspub.epa.gov/pls/tmdl/w305b_report_v2v.huc?p_huc=15020008&p_state=AZ. Accessed May 2, 2005.
- U.S. Geological Survey (USGS), 1965. Leonard Canyon, Arizona 7.5-minute Topographic Quadrangle Map.
- USGS, 1997. Aerial Photograph. http://terraserver-usa.com. Accessed April 2005.







Phase I ESA Forested Land Coconino County, AZ

Golder Associates

Aerial Photograph

Image courtesy U.S. Geological Survey

DRAWN by SCW CHECKED

REVIEWED JM

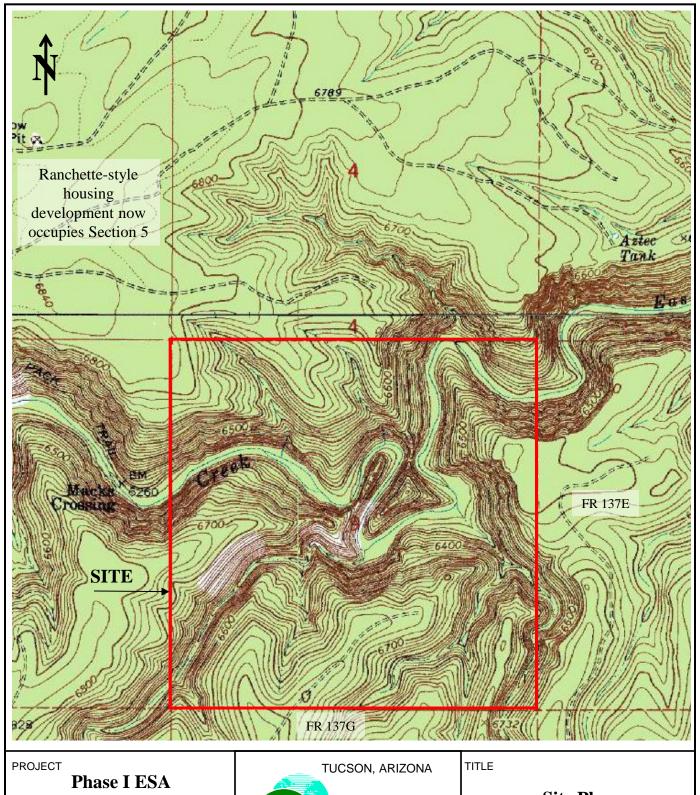
Map Date 27 Jun '97 1" approx. 1300 ft.

FILE NO.

JOB NO. 053-2522

DWG NO. SUBTITLE REV. NO.

FIGURE 2



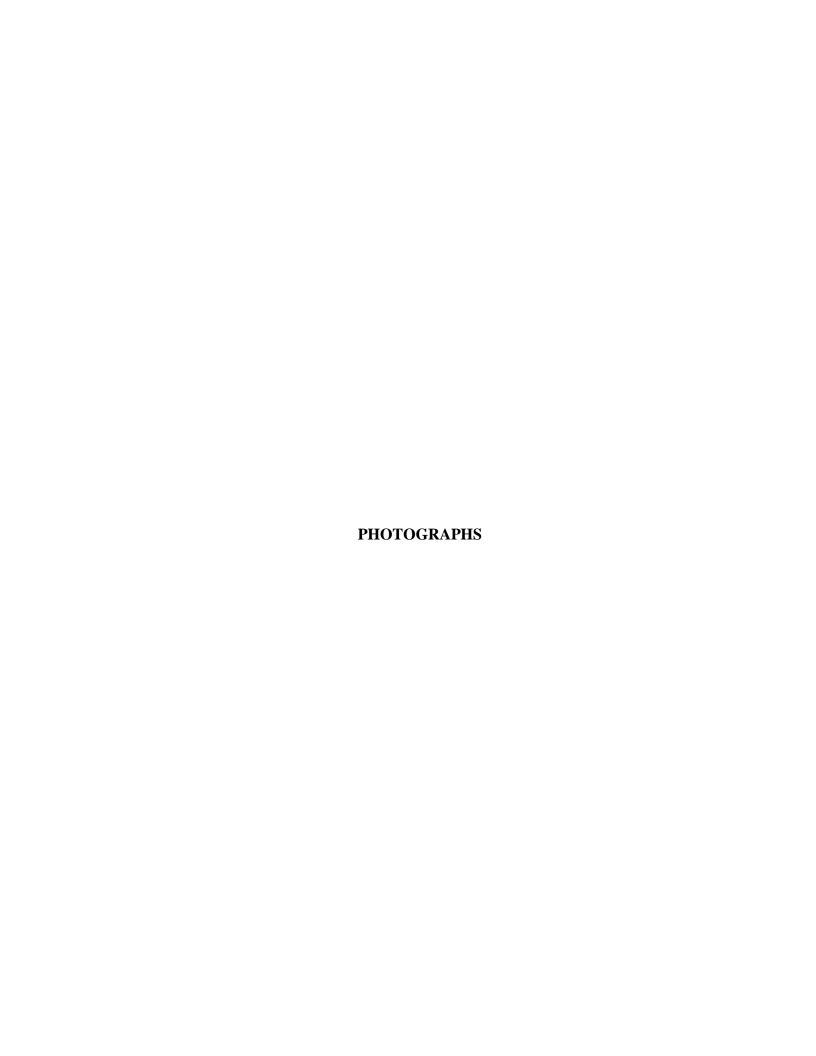
Phase I ESA
Forested Land
Coconino County, AZ

Golder Associates

Site Plan (topographic map)

Map courtesy U.S. Geological Survey

FILE NO. DWG NO. SUBTITLE 1" approx. JOB NO. REV. NO. DRAWN CHECKED REVIEWED Map Date FIGURE 3 1400 ft. 053-2522 01 Jul '65 by SCW JM





Photograph 1: View from center of section to the southwest, along FR 137G.



Photograph 2: Cattle tank along southern section boundary.



Photograph 3: View from eastern edge of section (near FR 137E) to west.



Photograph 4: Close-up of East Clear Creek, center of section.



Photograph 5: View from eastern edge of section (near FR 137E) to north.



Photograph 6: View from northern edge of section (near housing development) to south.