

Environmental Consulting and Engineering
A Real Estate Due Diligence Firm

10455 North Central Expressway
Suite 109 - 441
Dallas, TX 75230-2501
Telephone (214) 553-4545
Facsimile (214) 553-5576

RELIANCE 
ENGINEERING AND
ENVIRONMENTAL SERVICES, LLC

*Quality. . . Reliability. . . Dedication to
Service*

Reliance Engineering and Environmental Services, LLC is dedicated to providing a wide range of reliable and cost effective environmental services. Working within the framework of applicable laws and regulations, Reliance gives the highest possible priority to clients' particular objectives for timeliness and cost control.

Services provided by Reliance Engineering and Environmental Services, LLC range from initial environmental investigations to wetland surveys to project management, remediation and closure. No matter what the activity, Reliance pledges high quality and professionalism.

The environmental professionals at Reliance Engineering and Environmental Services, LLC represent a wealth of experience, training and qualifications. Disciplines include *Engineering, Ecologist and Chemical Engineer*. Licenses and registrations include *Professional Engineer, Asbestos Consultants, and Lead Inspectors*.

In an ongoing pursuit to improve our efficiency and service capabilities, Reliance has invested heavily in vital field equipment and technological improvements in the offices. Reliance has installed a network of computers capable of accessing environmental databases, maps and other requisite data within minutes. Sophisticated computerized modeling programs are utilized to characterize subsurface soils and groundwater. Reliance has developed an extensive in-house library of digitized aerial photographs, which are instrumental in reviewing prior uses of properties.

This Statement of Qualifications outlines many of the services available at Reliance Engineering and Environmental Services, LLC, but it cannot display the sincere commitment of the entire Reliance Team to *quality, reliability and dedication to service*. Call Reliance and see that commitment in action.

Environmental Services

Reliance Engineering and Environmental Services, LLC offers services within a broad range of disciplines:

*Geological
Geotechnical Wetlands
Endangered Species
Hydrological*

*Hydrogeological Environmental
Engineering Chemical Engineering
Geotechnical Engineering Hazardous
Materials Management*

PHASE I INVESTIGATIONS

Comprehensive Phase I Environmental Site Assessment (ASTM 1527) Basic
Phase I Environmental Site Assessment (ASTM 1527) Preliminary Risk
Assessment (PRA)
Phase I Transaction Screening/Preliminary Phase I (ASTM 1528)
Portfolio Property Environmental Scoring (Environmental Risk Evaluation)
Residential Environmental Site Assessment
Environmental Audits

PHASE II INVESTIGATIONS

Asbestos
Indoor Air Quality
Wetland Surveys
Groundwater Investigations
Soil Investigations
Chemical Testing
Biological Testing

Lead
NORM
Poly-Chlorinated Biphenyls (PCBs)
Radon
Urea-Formaldehyde
Hazardous Waste
Herbicides/Pesticides

PHASE III PLANNING and CORRECTIVE ACTION

Project Management:
Soil Remediation
Groundwater Remediation
Hazardous Waste Remediation

Asbestos Abatement
Lead-Based Paint Abatement
Regulatory Compliance

UNDERGROUND and ABOVEGROUND STORAGE TANKS

Characterization and Assessment of Petroleum Storage Tank Sites Tank
System Removals and Disposals Under Applicable Regulations Reimbursable
Fund Projects, Including Documentation and Submittals Corrective Action
Plans, Including Plan B Risk Assessments Remediation and Restoration

SITE ASSESSMENTS

Comprehensive Phase I Environmental Site Assessment

Each assessment is prepared in substantial compliance with *ASTM Standard E 1527-05: "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process."* Reliance Phase I comprehensive assessments typically exceed the ASTM standard.

In addition to physical site inspections by experienced professionals, each assessment includes a comprehensive review of several decades of aerial photographs from a variety of sources. Research also includes extensive review of prior and current uses and ownership of the subject site and adjacent properties using directories and a title review. Reports include topographical, geological, hydrogeological, faults and oil & gas evaluations, as well as flood plain and wetlands status. Federal, state and local databases exceeding the ASTM Standards are downloaded and reviewed. Photographs, maps, illustrations and two copies of the report are included.

Where property improvements include buildings, preliminary inspections for asbestos and lead-based paint can be included.

Standard Phase I Environmental Site Assessment

Each assessment is prepared in compliance with *ASTM Standard E 1527-05: "Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process."* Reliance Standard Phase I assessments are compiled in a concise, user friendly format.

The Standard Phase I Report is ideal for undeveloped and low risk properties because the ASTM Standard acknowledges that it is not necessary to do exhaustive research on obviously clean properties. Reports include topographical, geological, hydrogeological, faults, and oil & gas evaluations, as well as flood plain and wetlands status. ASTM - designated federal, state and local databases are reviewed. Photographs, maps, illustrations, and two copies of the report are included.

Preliminary Risk Assessment

This is a risk assessment designed for properties that may not be involved in current commercial transactions. This report provides an idea of current or future environmental problems based on an inspection by an environmental professional. Our environmental consultants can evaluate and offer solutions to many common environmental problems, from illegal dumping to wetlands, before these problems become evident in a Phase I.

Phase I Environmental Screening Report (Preliminary Phase I)

Sometimes referred to as *Transaction Screening*, an Environmental Screening Report can satisfy some of the requirements to qualify for the innocent landowner defense to CERCLA liability if it constitutes "all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial or customary practice" as defined in 42 USC 9601(35)(B). The Environmental Screening identifies recognized environmental conditions such as release or threat of release of hazardous substances or petroleum products onto the property, or into the ground, groundwater or surface water of the property—even under conditions in compliance with applicable laws and regulations. Meets ASTM Standard E 1528-06: *"Standard Practice for Environmental Site Assessments: Transaction Screen Process."*

A *Phase I Environmental Screening Report* is often a cost effective way to provide preliminary environmental information at a site where the *innocent landowner defense* may not be the sole

objective of the investigation. Where industrial, commercial or retail activity may have been absent, an Environmental Screening Report may demonstrate "due diligence" on the part of the property owner.

Portfolio Property Environmental Scoring (Environmental Risk Evaluation)

Environmental Risk Information and Imaging Services (ERIIS) data bases are searched for information on the subject site, plus other sites located within the ASTM-established radii. Values are assigned to environmental considerations by ERIIS and the subject site receives an environmental *score*. Scores are also calculated for four other sites, each one-half mile to the north, south, east and west of the subject property, and these provide a comparison when evaluating the relative risk potential of the subject property.

The *score* is a weighted average of three factors: (1) The actual number of sites identified within each environmental threat category, (2) The nature of each environmental threat, (3) The distance of each environmental threat from the subject property. The higher the subject property's score the greater the potential for environmental risk.

These low cost evaluations are particularly useful where a determination is being made as to whether or not a Phase I would be appropriate and the cost is applicable towards a Phase I should one be needed.

Wetland Consulting

Because of the ever increasing rules and regulations concerning what can and cannot be done regarding wetlands, Reliance Environmental offers a report that documents conditions that will legally qualify landowners for an exemption to wetland permitting under the Clean Water Act. Under today's rules if there are operations on properties that have any possibility of being a wetland, it is the landowner's responsibility to prove that those operations are not in violation.

Geo-technical Investigations

Each survey is designed to meet the site-specific objectives of the client. Reliance can provide rapid response and cost effective drilling services. Reports include detailed information concerning soil, geologic formations, and design criteria for new structures.

Groundwater Surveys

Following development of site-specific objectives and a scope of work, soil borings are advanced to groundwater using licensed drilling personnel. Samples are collected in accordance with established protocols. An independent and accredited laboratory analyzes samples.

Property Condition Report

Prepared in conjunction with a Phase I Site Assessment, the *Property Condition Report* identifies deficiencies that may alter the value of the commercial asset, and the estimated costs to correct those deficiencies. Photo documentation and quantification make cost estimates readily accessible. Specialists evaluate HVAC, roofs, electrical and plumbing systems.

Phase II Environmental Investigations

A Phase II Environmental Assessment can be initiated because of known environmental conditions, or can result from findings discovered in another investigation. Each Phase II investigation is undertaken to determine the extent of suspected contamination by hazardous substances or petroleum products. Data and samples are collected and evaluated for risk assessment. Where needed, remediation options are outlined and supported with preliminary cost estimates. These include asbestos, lead-based paint, soil, and groundwater.

Residential Environmental Inspections

Residential environmental investigations are ‘menu’ driven and can include inspections for asbestos, lead-based paint, lead in drinking water, herbicides/pesticides, radon, urea-formaldehyde insulation, prior use of property, and a database search for recorded environmental risks at or near the property.

Indoor Air Quality Monitoring

Indoor air quality monitoring programs are designed to meet the objectives of the client. A thorough air quality survey incorporates evaluation of activities within the building spaces, including cleaning techniques and materials, airflow, humidity, the HVAC system, number and location of occupants, and a wide variety of other considerations. Indoor Air Pollution can be as much as 1000 times higher than outside levels and has been attributed to many health problems which were thought to be allergies or viruses. Through indoor air quality monitoring programs, Reliance can establish the types of pollutants and suggest plans to help reduce high levels.

Asbestos Inspections and Surveys

Experienced state-licensed professionals provide a full range of inspection services—from limited inspections to full AHERA surveys. All samples are analyzed by an independent accredited laboratory. Reports are concise and complete. Surveys fully quantify and qualify asbestos-containing materials.

Asbestos Abatement Project Specifications

Detailed specifications are designed to meet project objectives while working within the framework of all applicable local, state and federal regulations. Project specifications provide the abatement contractor with thorough, precise instructions and working drawings showing the locations of all critical elements of the work. Reliance specifications are designed to provide a client with a high degree of protection on asbestos abatement projects.

Asbestos Abatement Project Management

When providing Project Management, Reliance Engineering and Environmental Services, LLC serves as *Client's Representative* on a project. Keeping the project on schedule, within budget and in full compliance with regulations is the Project Manager's job. In addition to preparing project *Scope of Work* and *Specifications*, Reliance can assist a client in qualifying abatement contractors, securing bids, negotiating schedules and other details of an abatement contract. During the course of the project, licensed Reliance personnel provide full supervision. A licensed asbestos consultant inspects all containments, reviews and approves all air monitoring data and issues a written clearance upon successful completion. At the conclusion of the project, Client is given a bound copy of all applicable documents relating to the project.

Asbestos Abatement Project - Air Monitoring And Testing

Air quality monitoring and testing is conducted at all times work is in progress. A qualified technician collects all area air samples using prescribed protocols. Sample cassettes are analyzed on-site by a licensed technician. In accordance with Reliance Engineering and Environmental Services, LLC *quality control* policies, not less than 5% of cassettes are subjected to a second analysis by other qualified personnel.

Asbestos Operating And Management (O&M) Plans

When a client elects to manage asbestos-containing materials in place, rather than remove them, Reliance Engineering and Environmental Services, LLC produces detailed Operating and Maintenance Plans. Each O&M Plan is a straightforward document outlining practices to be followed when dealing with asbestos-containing materials, response procedures in the event the material is disturbed, recommended documentation and reporting systems. Asbestos awareness training is provided to all personnel at the site.

Lead-Based Paint

As with asbestos, a full range of services are available: Inspections and surveys, project management, project specifications, O&M programs, project air monitoring and testing.

Underground and Aboveground Storage Tanks

Closure of petroleum storage tanks with investigation or remediation of soil or groundwater resulting from leaking petroleum storage tanks is a regulated activity requiring a registered *Corrective Action Specialist*. At Reliance, these activities are conducted under the direction of a Corrective Action Project Manager. Each scope of work is designed to meet site-specific objectives. Forms and reports to TNRCC specifications are prepared and submitted, including application for reimbursement of eligible expenses by the state.

Plan B Closure is an activity requiring a Corrective Action Plan which includes complex analyses of soil, soil vapor, groundwater and other site characterizations. Reliance utilizes computerized modeling programs to evaluate each site. All activity is under the direction of a Corrective Action Project Manager, and in compliance to EPA regulations.

Eddie Bock
Registered Professional Engineer

Eddie Bock holds an advanced degree in Chemical Engineering and a Certificate of Proficiency in Air Pollution Control Technology from Georgia Tech. He did graduate and post graduate work in environmental engineering, with a concentration in air pollution and water treatment. A Registered Professional Engineer in Texas, he possesses solid experience in the technologies used today in environmental engineering and remediation.

Mr Bock has a solid background as a process and development engineer, with emphasis on the specification and design of systems, the preparation of operating manuals and operator training. He has managed projects from conception to completion and dedication in the refining and chemical industries.

He has participated in energy conservation projects ranging from heat recovery to co-generation. He has hands-on experience in the design and installation of systems to monitor conditions remotely via computer.

Mr. Bock has more than 8 years experience in the environmental field including Phase I studies, Phase II soil and groundwater studies, design and installation of remediation systems and site closure procedures.

Education

B.S. Chemical Engineering, University of Oklahoma
M.S. Chemical Engineering, Georgia Institute of Technology

Professional Memberships

American Institute of Chemical Engineers
Texas Society of Professional Engineers

Licenses and Certifications

Registered Professional Engineer – State of Texas #46381
Certificate of Proficiency in Air Pollution Control Technology, Georgia Tech
TCEQ Corrective Action Project Manager License #CAPM01430
DSHS Asbestos Individual Consultant #10-5718

Harry W Petersen
Senior Geologist/Hydrogeologist

Mr. Petersen holds an advanced degree in geology/geophysics with postgraduate work in hydrogeology. He has extensive experience in shallow geophysics, monitoring well installations, soil gas analysis and aquifer testing. Mr. Petersen also has extensive experience in soil and ground water characterization as well as remediation and disposal of contaminated ground water and soil.

He is a licensed asbestos consultant and fully qualified as an asbestos inspector and management planner. He is also qualified in phase contrast microscopy for air borne asbestos fiber determination and polarized light microscopy for asbestos bulk samples. His experience has encompassed the use of transmission electron microscopy, x-ray diffraction and ion exchange capacity.

Mr. Petersen specializes in soil and groundwater project management, as well as petroleum storage tank remediation and site disposal activities. A former research geologist for major oil companies, his work experience includes industrial laboratory management and analytical services to commercial and industrial entities.

Education

BS in Geology - Western Illinois University
MS in Geology & Geophysics - University of Houston
Post graduate work in Hydrogeology and Business

Professional Memberships

Society of Texas Environmental Professionals
National Water Well Association
Association of Ground Water Scientists and Engineers

Licenses and Certifications

Professional Geologist – State of Kentucky #1405
Professional Geologist – State of Texas #1046
TDH Asbestos Consultant License #10-5361
TCEQ Corrective Action Project Manager License #CAPM00795
EPA rule 582 Microscopist (NIOSH Methods 7400 and 582)
Registered Environmental Assessor - State of California #03673

References

Dallas Transfer & Terminal Warehouse Co, 2424 N. Westmoreland, Dallas, TX 75222

W&B Refrigeration 660 Fort Worth Avenue Dallas, TX 75208

Cencor Realty Services, 3102 Maple Avenue, Dallas, TX 75201

Keystone Mortgage, 8214 Westchester #700, Dallas, TX

Stream Realty Partners, L.P., 9101 North Central Expressway #100, Dallas TX 75231

Connell Development, P.O. Box 541057, Dallas, TX 75354

Burgin Mortgage, 6517 Hillcrest, Suite 400, Dallas, Texas 75205

Brinker International, 6820 LBJ Freeway, Dallas, TX 75240

Edward Sostecke Investment Company, 11111 Denton Drive, Dallas, TX 75229

Grogan & Brawner P.C., 2311 Cedar Springs Road, #150, Dallas, TX 75201

Henry S. Miller Commercial Brokers, 2211 E. Lamar Boulevard, Arlington, TX 76006

Fifth Ward Community Redevelopment Corp, 4120 Lyons Avenue, Houston TX 77020

Ian Russell Company, 5445 La Sierra, Dallas, TX 75231

Master Auto Body Services, 12229 East Northwest Hiway, Dallas, TX 75228

Strasburger & Price, 901 Main Street #4300, Dallas, TX 75202

A&L Underground, Inc., 308 E. Mansfield Hiway, Kennedale, TX 76060

Sugarhill Studios, 5626 Brock Street, Houston, TX 77023

AER Manufacturing, 1605 Surveyor, Carrollton, TX 75006

Professional Packaging Systems Inc., 2010 Great SW Parkway, Grand Prairie, TX

Lawns of Dallas, 2722 Inwood Road, Dallas, TX 75235

Bledsoe Brace Systems, 2601 Pinewood Drive, Grand Prairie, TX 76010

Wells Fargo, 2301 East Lamar Boulevard, Arlington, Texas 76006

Lending Institution References

Sun Life Assurance Company of Canada .
Unity National Bank
Ameritas Investment Advisors, Inc.
First Mercantile Bank
First State Bank of Texas
Kansas City Life Insurance Company
Arlington National Bank
Town North Bank
First Union Corporation
Wells Fargo Bank
North Dallas Bank & Trust Co.
Woodmen of the World Life Insurance Society
Founders National Bank
Colonial Bank
Regions Bank
AmerUs Life Holding, Inc
Legacy Bank of Texas
StanCorp Mortgage Investors, LLC
The Oaks Bank & Trust Company
Lutheran Brotherhood
Brookhollow National Bank
American Investors Life Insurance Company, Inc.
Summit National Bank
Delta Life and Annuity Company
Safeco Life Insurance Company
Texas Bank
Surety Bank
The Commons at Cliff Creek, Ltd.
Allianz Life Insurance Company of North America
American Fidelity Assurance Company