



Date: March 23, 2023

To: William Gilchrist
Director of Planning & Building
Wgilchrist@oaklandca.gov

Copy to: Barbara Parker
City Attorney
bjparker@oaklandcityattorney.org

RE: Updated Description of Developer's Good Faith Substantial Compliance with the DA for the July 2021 to June 2022 Year

**THIS REPORT IS SUBMITTED UNDER GOVERNMENT
CODE SECTION 65865.1 AND SECTION 17.138.090 OF THE
DEVELOPMENT AGREEMENT ORDINANCE,
CITY HAS 45 DAYS TO RESPOND**

Dear William Gilchrist,

This report is being sent to you as required by the July 16, 2013, Development Agreement ("DA") by and between the City of Oakland ("City") and Prologis CCIG Oakland Global, LLC ("Developer"). This report described how the Developer has, in good faith, substantially complied with the DA during the year.

Originally submitted on July 15, 2022, this report includes revisions to respond to City staff comments, as received on September 21, 2022, and further comments received via email communication on December 6, 2022. As included in the submitted November 14, 2022 "Response to City of Oakland Comments RE: Annual Compliance Report dated July 15, 2022," document (attached to this report as Exhibit E), the full amount of the required application fee for the Ground Lease reviews has been submitted by Prologis to the City. Furthermore, Prologis is working with the City to address applicable minimum build requirements in accordance with the DA, and delivered a separate submittal to the City, dated October 18, 2022, to address these requirements, which should be referenced in regards to minimum project square footage requirements. Prologis is actively coordinating with the City on the lease negotiation to complete

the lease process and formalize compliance. The report below has been further updated to include additional information on how the Developer has complied with the Construction and Operations Jobs Policy, as requested by the City, and to clarify information previously provided on compliance with the SCA/MMRPs for Lease Area subtenants in response to comments received from City staff in December 2022.

This report covers the period:

1. July 2021 – June 2022

Because the gateways (West Gateway, MH-1 Lease Area, New Central Gateway, and East Gateways CE-1 & CE-2) were partially assigned to their prospective lessees through the Third Amendment to Army Base Gateway Redevelopment Project Lease Disposition and Development Agreement, dated December 23, 2015, the Developer has decided to bifurcate the report with each lessee voicing its own good faith substantial compliance with the DA for its respective gateway area. As such, this report only touches and concerns the good faith substantial compliance with the DA for the New Central Gateway, East Gateway Areas, and MH-1 Lease Areas. A separate report has been submitted for the West Gateway Lease Areas.

Specifically, the Developer, Prologis Mesquite, LLC, a Delaware limited liability company ("PLD") substantially complied with the DA, in good faith, in the following manner:

July 2021 – June 2022

A. General Requirements Under the Development Agreement

Although the DA is binding as between the parties as of the July 16, 2013, Effective Date of the Agreement, the specific project related requirements placed upon the Developer by the DA do not become effective until the Developer is able to acquire a ground lease or Franchise interest in any portion of the project site.

On October 4, 2016, the City and PLD executed a ground lease for one of the East Gateway Lease areas commonly referred to as CE-1. On March 6, 2018, the City and PLD executed a ground lease for the New Central Gateway. On May 24, 2018, the City and PLD executed a ground lease for the other East Gateway Lease areas commonly referred to as CE-2. On December 31, 2019, PLD perfected an assignment of the MH-1 lease from CCIG pursuant to that certain Assignment and Assumption Agreement by and between CCIG Oakland Global, LLC and Prologis, L.P. with the consent and approval of the City of Oakland.

Table 1: Gateway Ground Leases Between City and PLD

Parcel	Date Lease Executed between City and PLD	2022 On-Site Tenant(s)
East Gateway (CE-1)	October 4, 2016	Portable On Demand Storage (PODS) Facility; R&A Trucking
New Central Gateway (CC-1)	March 6, 2018	SHIFT; Conglobal; Custom Goods
East Gateway (CE-2)	May 24, 2018	Good Eggs Fulfillment Center; SHIFT
MH-1	August 8, 2019	Conglobal

For each of the lease areas above, the Developer has demonstrated substantial, good faith compliance with the DA through implementing the general requirements of the agreement, including meeting or surpassing site improvement milestones; complying with Community Benefit requirements of the DA and the CEQA Standard Conditions of Approval and Mitigation Monitoring and Reporting Program (SCA/MMRP); maintaining insurance for the site as specified in the PLD Ground Lease; and ensuring no events of default or noncompliance with the DA. The following sections of this Memorandum discuss site-specific DA compliance in further detail for each of the above-listed gateway lease areas.

2021-2022 Compliance Demonstration by Parcel

East Gateway Lease Area (CE-1)

Regarding the East Gateway lease area commonly referred to as CE-1, there has been substantial, good faith compliance with the DA as follows:

A. General Requirements Under the Development Agreement

On October 4, 2016, Prologis Mesquite, LLC, a Delaware limited liability company ("PLD") and the City entered into Army Base Gateway Redevelopment Project Ground Lease for CE-1 with the City (the "CE-1 Ground Lease"), whereby the City leased to PLD and PLD leased from the City that certain real property known as the CE-1. Consequently, through the CE-1 Ground Lease, the DA requires PLD to meet the following requirements:

Minimum Project. DA§ 3.3 requires PLD to "develop the Private Improvements for each Phase of the Project in accordance with the 'Minimum Project' description, scope, schedule and sequencing set forth in the Ground Lease for each Phase."

Paragraph 6.1.1.1 of the Army Base Gateway Redevelopment Project Ground Lease for CE-1 Lease Area between The City of Oakland and Prologis Mesquite, LLC ("CE-1 Lease") states that the Initial Milestone of 60,063 square feet of improvements and must commence within the first year. Further, the CE-1 Lease Paragraph 6.1.1.2 Second Milestone Date is, in the aggregate, 98,928 square feet of improvements not later than the date that is four (4) years after the date of the issuance of the First Building Permit. The Second Milestone occurred on October 7, 2020, and the Third Milestone will occur on October 7, 2022. CE-1 Lease Paragraph 6.1.1.3 Third Milestone requires 128,960 square feet of improvements in the aggregate no later than the date which is six (6) years after the date of the First Building Permit. Finally, the CE-1 Lease Paragraph 6.1.1.4 Fourth Milestone Date requires commencement, in the aggregate, of 176,658 square feet of improvements not later than the date that is eight (8) years after the date of the issuance of the First Building Permit. The date of the First Building Permit is October 7, 2016.

PLD immediately pulled building permits on 10/7/16 and began construction of a 256,136 square foot logistics building which has been completed as of the date of this letter. In doing so, PLD has exceeded the Minimum Project build out and will be using any "excess" square footage from this build out to offset any potential future shortfall per the terms of the lease. PLD is in full compliance with regards to the Minimum Project requirement and reserves its rights under

the lease for any “excess” square footage over the minimum build. As of the date of this letter, PLD’s “excess” square footage is calculated as follows:

Commenced Improvements:	256,136
Less: Second Milestone (Paragraph 6.1.1.2):	<u>(98,928)</u>
Total Excess Square Footage:	157,208

Community Benefits. DA §§ 3.8.1, 4.1 require PLD to comply with the Community Benefits under the CE-1 Ground Lease, including the CEQA Standards Conditions of Approval and Mitigation Monitoring and Reporting Program ("SCA/MMRPs"). Section 37.6 and Exhibit 37.6 of the CE-1 Ground Lease set forth the actual requirements of the Community Benefits package, which is broken into (i) Construction Jobs Policy for Vertical Construction; (ii) Construction Jobs Policy for Public Improvements; (iii) Operations Jobs Policy; and (iv) SCA/MMRPs. As evidenced with the building permit issuance, PLD has complied with all design SCA / MMRP’s. During the construction process, PLD has complied with all conditions of approval per the permits, the LDDA and the Lease.

Further, PLD is in full compliance with the requirements of the Operations Jobs Policy. DA §4.1 states that, “During such portion of the Term that the LDDA is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Article IV of the LDDA for such Phase. During such portion of the Term that a Ground Lease is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Section 37.6 of the applicable Ground Lease for such Phase. In addition, the parties hereby agree to amend the Construction Jobs Policy for the Public Improvements to require weekly compliance reporting through the website proposed by the California Capital & Investments Group, Inc.” Section 37.6 of the Ground Lease includes the following Operations Jobs Policy requirements, as included in Exhibit 37.6:

- Developer shall ensure that any contract under which an On-Site Job, as defined in the Operations Jobs Policy, may be performed include the Operations Jobs Policy. Inclusion of such Policy in all relevant leases and contracts, and compliance with such Policy by the Developer, will fully meet the Developer obligation.
- Developer shall require compliance with the City Living Wage Ordinance for On-Site Jobs, in accordance with the terms of the Operations Jobs Policy
- Developer shall comply, and require its subtenants to comply with the City Equal Benefits Policy, except where such application would be inconsistent with the terms or conditions of a grant or a contract with an agency of the United States or the State of California

- Developer shall pay, at the time of each building permit application, the Jobs/Housing Impact Fee imposed pursuant to Council Ordinance 12422 to support the West Oakland Jobs Center
- Developer shall establish a Community Area Maintenance fee equal to \$0.005/month per leasable square foot of building space and pay annual fee into fund to support the Jobs Center. The annual fee shall increase consistent with the Ground Lease CPI Structure.

PLD is in compliance with the above requirements. PLD has included the Operational Jobs Policy in all relevant leases and contracts in the reporting period. Relevant contracts and leases in the reporting period for the East Gateway Lease Area (CE-1) include the active lease with the Portable On Demand Storage Facility (PODS). These lease contracts include copies of the Operational Jobs Policy. Subtenants at the OAB are required to comply with the City Equal Benefits Policy, which is also included as a stipulation in the applicable lease agreements. Furthermore, PLD has paid the required fees to support the West Oakland Jobs Center, as outlined in the requirements listed above. Therefore, PLD hereby attests that it is in compliance with the Operational Jobs Policy requirement for this Lease Area and has fully met its obligation under the DA for this reporting period.

Thus, PLD is in substantial good faith compliance with all requirements. Supporting documents for compliance are attached hereto as **Exhibit A – PODS Compliance Documentation**. This exhibit also includes compliance documentation for the PODS subtenant at the site, R&A Trucking.

Insurance. DA§ 5.4 and Section 14.1 of the CE-1 Ground Lease require PLD to carry insurance of the types and in the amounts expressly set forth in Exhibit 14.1 of the PLD Ground Lease. From the date the PLD Ground Lease was executed, PLD has maintained insurance for the CE-1 lease area as required by the CE-1 Ground Lease. Thus, PLD is in substantial good faith compliance with its insurance obligations under the DA. Insurance certificate is attached hereto as **Exhibit D – Insurance Certificate**

B. No Events of Default or Noncompliance

DA § 8.2 requires the City or the Developer to give written notice of any noncompliance with the DA to the non-complying party with a thirty (30) day cure period. Such notice must specify in reasonable detail the grounds for the noncompliance and all facts demonstrating the noncompliance.

To date, neither the Developer nor PLD have received any written notice of noncompliance with the DA from the City regarding the CE-1. PLD is not aware of any other action on its behalf that would demonstrate bad faith compliance or noncompliance with the DA.

New Central Gateway Lease Area

Regarding the New Central Gateway ground lease, there has been substantial, good faith compliance with the DA as follows:

A. General Requirements Under the Development Agreement

On March 6, 2018, 2016, Prologis Mesquite, LLC, a Delaware limited liability company ("PLD") and the City entered into Army Base Gateway Redevelopment Project Ground Lease for the New Central Gateway with the City (the "NCGW Lease"), whereby the City leased to PLD and PLD leased from the City that certain real property known as the New Central Gateway. Consequently, through the New Central Gateway Ground Lease, the DA requires PLD to meet the following requirements:

Minimum Project. DA§ 3.3 requires PLD to "develop the Private Improvements for each Phase of the Project in accordance with the 'Minimum Project' description, scope, schedule and sequencing set forth in the Ground Lease for each Phase."

Paragraph 6.1.1.1 of the Army Base Gateway Redevelopment Project Ground Lease for New Central Gateway Lease Area between The City of Oakland and Prologis Mesquite, LLC ("NCGW Lease") states that the Initial Milestone of 85,993 square feet of improvements and must commence within the first year. Further, the NCGW Lease Paragraph 6.1.1.2 Second Milestone Date is, in the aggregate, 141,636 square feet of improvements not later than the date that is four (4) years after the date of the issuance of the First Building Permit. NCGW Lease Paragraph 6.1.1.3 Third Milestone requires 184,633 square feet of improvements in the aggregate no later than the date which is six (6) years after the date of the First Building Permit. Finally, the NCGW Lease Paragraph 6.1.1.4 Fourth Milestone Date requires commencement, in the aggregate, of 252,922 square feet of improvements not later than the date that is eight (8) years after the date of the issuance of the First Building Permit. The date of the First Building Permit is October 26, 2018.

PLD initially completed construction of a 16.2-acre container storage and repair depot in conjunction with a sub-lease between Conglobal and PLD that commenced in December 2018. Subsequently, in April 2021, Conglobal and PLD relocated 13.1 acres of the Conglobal operation to MH-1, leaving a 3.1-acre portion of the NCGW Lease Area in operation and in full compliance. The remnant 13.1 acres that was vacated by Conglobal remained vacant for this reporting period. Conglobal will be completely transitioning off the NCGW Lease Area in mid-2022. In 2022, a new tenant, SHIFT, will lease the southern portion of the parking lot on the parcel, while Custom Goods is under contract to lease the northern portion of the lot, as well as the logistics building described below.

PLD completed shell construction of a 189,038 square foot logistics building in Q1 2021. In doing so, PLD has exceeded the Minimum Project build out and may use any "excess" square

footage from this build out to offset any potential future shortfall per the terms of the lease. PLD is in full compliance with regards to the Minimum Project requirement and reserves its rights under the lease for any “excess” square footage over the minimum build. As of the date of this letter, PLD’s “excess” square footage is calculated as follows:

Conglobal Improvements:	8,650
Plus: NCGW Phase 2 - Building 3	<u>189,038</u>
Less: Initial Min Build (Paragraph 6.1.1.1):	<u>(85,993)</u>
Total Excess Square Footage NCGW:	<u>111,695</u>

Community Benefits. DA §§ 3.8.1, 4.1 require PLD to comply with the Community Benefits under the New Central Ground Lease, including the CEQA Standards Conditions of Approval and Mitigation Monitoring and Reporting Program ("SCA/MMRPs"). Section 37.6 and Exhibit 37.6 of the New Central Gateway Ground Lease set forth the actual requirements of the Community Benefits package, which is broken into (i) Construction Jobs Policy for Vertical Construction; (ii) Construction Jobs Policy for Public Improvements; (iii) Operations Jobs Policy; and (iv) SCA/MMRPs. As evidenced with the building permit issuance, PLD has complied with all design SCA / MMRP's.

During the construction process, PLD has complied with all conditions of approval per the permits, the LDDA and the Lease. The Construction Jobs Policy, as included in Section 37.6 of the Ground Lease for the New Central Gateway Lease Area, includes the following requirements that apply to PLD:

- The Developer shall include the Construction Jobs Policy for Vertical Construction, as a material term of all contracts under which construction of the Initial Improvements and Additional Improvements (“Vertical Construction”) may occur, and shall itself comply with terms of such Policy. Inclusion of said Policy in all relevant contracts, and compliance with applicable terms of such policy by Developer, will fully satisfy the Developer’s obligation with regard to such Policy.
- Prior to commencement of construction, Developer shall demonstrate to City that either: 1. Developer has entered into a Project Labor Agreement (PLA) with the Alameda County Building Trades Council for the Vertical Construction of the applicable lease area, or 2. Developer has used commercially reasonable efforts to enter into a PLA as described above.

PLD hereby certifies that it has included the Construction Jobs Policy for Vertical Construction as a part of all contracts for Initial and Additional Improvements in the reporting period (July 2021 through July 2022). The applicable contract in the reporting period was for the construction of the Custom Goods project site. Furthermore, PLD has entered into a PLA with the Alameda

County Building Trades Council, as executed in 2017 (provided for reference in **Exhibit E, Appendix A**). Therefore, PLD has complied with all applicable requirements related to the Construction Jobs Policy for the New Central Gateway Lease Area.

Further, PLD is in full compliance with the requirements of the Operations Jobs Policy. DA §4.1 states that, “During such portion of the Term that the LDDA is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Article IV of the LDDA for such Phase. During such portion of the Term that a Ground Lease is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Section 37.6 of the applicable Ground Lease for such Phase. In addition, the parties hereby agree to amend the Construction Jobs Policy for the Public Improvements to require weekly compliance reporting through the website proposed by the California Capital & Investments Group, Inc.” Section 37.6 of the Ground Lease includes the following Operations Jobs Policy requirements, as included in Exhibit 37.6:

- Developer shall ensure that any contract under which an On-Site Job, as defined in the Operations Jobs Policy, may be performed include the Operations Jobs Policy. Inclusion of such Policy in all relevant leases and contracts, and compliance with such Policy by the Developer, will fully meet the Developer obligation.
- Developer shall require compliance with the City Living Wage Ordinance for On-Site Jobs, in accordance with the terms of the Operations Jobs Policy
- Developer shall comply, and require its subtenants to comply with the City Equal Benefits Policy, except where such application would be inconsistent with the terms or conditions of a grant or a contract with an agency of the United States or the State of California
- Developer shall pay, at the time of each building permit application, the Jobs/Housing Impact Fee imposed pursuant to Council Ordinance 12422 to support the West Oakland Jobs Center
- Developer shall establish a Community Area Maintenance fee equal to \$0.005/month per leasable square foot of building space and pay annual fee into fund to support the Jobs Center. The annual fee shall increase consistent with the Ground Lease CPI Structure.

PLD is in compliance with the above requirements. PLD has included the Operational Jobs Policy in all relevant leases and contracts in the reporting period. Relevant contracts and leases in the reporting period for the New Central Gateway Ground Lease include the active lease with Conglobal, as well as leases with Custom Goods and with SHIFT, which were under development during the time of this reporting period. These lease contracts include copies of the Operational Jobs Policy. Subtenants at the OAB are required to comply with the City Equal Benefits Policy, which is also included as a stipulation in the applicable lease agreements.

Furthermore, PLD has paid the required fees to support the West Oakland Jobs Center, as outlined in the requirements listed above. Therefore, PLD hereby attests that it is in compliance with the Operational Jobs Policy requirement for this Lease Area and has fully met its obligation under the DA for this reporting period.

A public process is currently underway in coordination with the City, per the requirements of SCA/MMRP Mitigation PO-1, to develop plans that demonstrate how Custom Goods will comply with the applicable operational requirements included in the SCA/MMRP, with the Operational Air Quality Plan for Custom Goods having been approved by the City Administrator after the compliance period covered by this report, in January 2023. Thus, PLD is in substantial good faith compliance with all requirements. Supporting documents for compliance are attached hereto as **Exhibit B – Conglobal Compliance Documentation**.

Insurance. DA§ 5.4 and Section 14.1 of the New Central Gateway Ground Lease require PLD to carry insurance of the types and in the amounts expressly set forth in Exhibit 14.1 of the PLD Ground Lease. From the date the PLD Ground Lease was executed, PLD has maintained insurance for the New Central Gateway lease area as required by the New Central Gateway Ground Lease. Thus, PLD is in substantial good faith compliance with its insurance obligations under the DA. Insurance certificate is attached hereto as **Exhibit D – Insurance Certificate**.

B. No Events of Default or Noncompliance

DA § 8.2 requires the City or PLD to give written notice of any noncompliance with the DA to the non-complying party with a thirty (30) day cure period. Such notice must specify in reasonable detail the grounds for the noncompliance and all facts demonstrating the noncompliance.

To date, neither the Developer nor PLD have received any written notice of noncompliance with the DA from the City regarding the New Central Gateway. PLD is not aware of any other action on its behalf that would demonstrate bad faith compliance or noncompliance with the DA.

East Gateway Lease Area (CE-2)

Regarding the East Gateway ground lease referred to as CE-2, there has been substantial, good faith compliance with the DA as follows:

A. General Requirements Under the Development Agreement

On May 24, 2018, Prologis Mesquite, LLC, a Delaware limited liability company ("PLD") and the City entered into Army Base Gateway Redevelopment Project Ground Lease for CE-2 with the City (the "CE-2 Ground Lease"), whereby the City leased to PLD and PLD leased from the City that certain real property known as the CE-2. Consequently, through the CE-2 Ground Lease, the DA requires PLD to meet the following requirements:

Minimum Project. DA§ 3.3 requires PLD to "develop the Private Improvements for each Phase of the Project in accordance with the 'Minimum Project' description, scope, schedule and sequencing set forth in the Ground Lease for each Phase."

Paragraph 6.1.1.1 of the Army Base Gateway Redevelopment Project Ground Lease for CE-2 Lease Area between The City of Oakland and Prologis Mesquite, LLC ("CE-2 Lease") states that the Initial Milestone of 52,127 square feet of improvements and must commence within the first year. Further, the CE-2 Lease Paragraph 6.1.1.2 Second Milestone is, in the aggregate, 85,856 square feet of improvements not later than the date that is four (4) years after the date of the issuance of the First Building Permit. The Second Milestone date occurred during this reporting period. CE-2 Lease Paragraph 6.1.1.3 Third Milestone requires 111,920 square feet of improvements in the aggregate no later than the date which is six (6) years after the date of the First Building Permit. Finally, the CE-2 Lease Paragraph 6.1.1.4 Fourth Milestone Date requires commencement, in the aggregate, of 153,315 square feet of improvements not later than the date that is eight (8) years after the date of the issuance of the First Building Permit. The date of the First Building Permit is June 28, 2018.

PLD immediately pulled building permits and began construction of a 232,785 square foot logistics building currently under construction as of the date of this letter. In doing so, PLD has exceeded the Minimum Project build out and will be using any "excess" square footage from this build out to offset any potential future shortfall per the terms of the lease. PLD is in full compliance with regards to the Minimum Project requirement and reserves its rights under the lease for any "excess" square footage over the minimum build.

PLD is in full compliance with regards to the Minimum Project requirement as follows.

Commenced Improvements:	232,785
Less: Second Milestone (Paragraph 6.1.1.2):	<u>(85,856)</u>
Total Excess Square Footage:	<u>146,929</u>

Community Benefits. DA§§ 3.8.1, 4.1 require PLD to comply with the Community Benefits under the CE-2 Ground Lease, including the CEQA Standards Conditions of Approval and Mitigation Monitoring and Reporting Program ("SCA/MMRPs"). Section 37.6 and Exhibit 37.6 of the CE-2 Ground Lease set forth the actual requirements of the Community Benefits package, which is broken into (i) Construction Jobs Policy for Vertical Construction; (ii) Construction Jobs Policy for Public Improvements; (iii) Operations Jobs Policy; and (iv) SCA/MMRPs. As evidenced with the building permit issuance, PLD has complied with all design SCA / MMRP's. During the construction process, PLD has complied with all conditions of approval per the permits, the LDDA and the Lease.

Further, PLD is in full compliance with the requirements of the Operations Jobs Policy. DA §4.1 states that, “During such portion of the Term that the LDDA is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Article IV of the LDDA for such Phase. During such portion of the Term that a Ground Lease is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Section 37.6 of the applicable Ground Lease for such Phase. In addition, the parties hereby agree to amend the Construction Jobs Policy for the Public Improvements to require weekly compliance reporting through the website proposed by the California Capital & Investments Group, Inc.” Section 37.6 of the Ground Lease includes the following Operations Jobs Policy requirements, as included in Exhibit 37.6:

- Developer shall ensure that any contract under which an On-Site Job, as defined in the Operations Jobs Policy, may be performed include the Operations Jobs Policy. Inclusion of such Policy in all relevant leases and contracts, and compliance with such Policy by the Developer, will fully meet the Developer obligation.
- Developer shall require compliance with the City Living Wage Ordinance for On-Site Jobs, in accordance with the terms of the Operations Jobs Policy
- Developer shall comply, and require its subtenants to comply with the City Equal Benefits Policy, except where such application would be inconsistent with the terms or conditions of a grant or a contract with an agency of the United States or the State of California
- Developer shall pay, at the time of each building permit application, the Jobs/Housing Impact Fee imposed pursuant to Council Ordinance 12422 to support the West Oakland Jobs Center
- Developer shall establish a Community Area Maintenance fee equal to \$0.005/month per leasable square foot of building space and pay annual fee into fund to support the Jobs Center. The annual fee shall increase consistent with the Ground Lease CPI Structure.

PLD is in compliance with the above requirements. PLD has included the Operational Jobs Policy in all relevant leases and contracts in the reporting period. Relevant contracts and leases in the reporting period for the East Gateway Lease Area (CE-2) include the active lease with the Good Eggs Fulfilment Center (Good Eggs), and the lease agreement with SHIFT to sublease a portion of the logistics building. This lease was under development during this reporting period. These lease contracts include copies of the Operational Jobs Policy. Subtenants at the OAB are required to comply with the City Equal Benefits Policy, which is also included as a stipulation in the applicable lease agreements. Furthermore, PLD has paid the required fees to support the West Oakland Jobs Center, as outlined in the requirements listed above. Therefore, PLD hereby attests that it is in compliance with the Operational Jobs Policy requirement for this Lease Area and has fully met its obligation under the DA for this reporting period.

In 2022, a public process will be conducted in coordination with the City of Oakland, per the requirements of SCA/MMRP Mitigation PO-1, to develop plans to demonstrate how SHIFT will comply with the applicable operational requirements included in the SCA/MMRP. Thus, PLD is in substantial good faith compliance with all requirements. Supporting documents for compliance are attached hereto as **Exhibit C – Good Eggs Compliance Documentation**.

Insurance. DA§ 5.4 and Section 14.1 of the CE-2 Ground Lease require PLD to carry insurance of the types and in the amounts expressly set forth in Exhibit 14.1 of the PLD Ground Lease. From the date the PLD Ground Lease was executed, PLD has maintained insurance for the CE-2 lease area as required by the CE-2 Ground Lease. Thus, PLD is in substantial good faith compliance with its insurance obligations under the DA. Insurance certificate is attached hereto as **Exhibit D – Insurance Certificate**.

B. No Events of Default or Noncompliance

DA § 8.2 requires the City or the Developer to give written notice of any noncompliance with the DA to the non-complying party with a thirty (30) day cure period. Such notice must specify in reasonable detail the grounds for the noncompliance and all facts demonstrating the noncompliance.

To date, neither the Developer nor PLD have received any written notice of noncompliance with the DA from the City regarding CE-2. PLD is not aware of any other action on its behalf that would demonstrate bad faith compliance or noncompliance with the DA.

MH-1 Lease Area (MH-1)

Regarding the MH-1 Lease Area, there has been substantial, good faith compliance with the DA as follows:

A. General Requirements Under the Development Agreement

On August 8, 2019, Prologis LP, a Delaware limited liability company ("PLD") and the City entered into an Assignment and Assumption Agreement for MH-1 Lease Area with the City (the "MH-1 Ground Lease"), whereby the CCIG assigned all of its rights and obligations to PLD for that certain real property known as MH-1. Consequently, through the MH-1 Ground Lease, the DA requires PLD to meet the following requirements:

Minimum Project. requires PLD to "develop the Private Improvements for each Phase of the Project in accordance with the 'Minimum Project' description, scope, schedule and sequencing set forth in the Ground Lease for each Phase."

Paragraph 6.1.1.1 of the MH-1 Ground Lease, as modified by the First Amendment, states that the Initial Milestone of 50,916 square feet of improvements and must commence by the Minimum Project Schedule Commencement Date, defined as the earlier of (a) the date that is one (1) year after the Temporary Bypass Road Easement Termination Date, or (b) the date of the issuance of the first Building Permit for any Improvement at the Premises during the Term (excluding any Building Permits related to the rail improvements or any RIP/Loco Rail Maintenance Facility or the relocation or renovation of any portion of the Retained Caltrans Improvements). The City noted during the 2019-2020 Compliance period, that the Initial Milestone date occurred on June 17, 2020, per condition (a) one (1) year after the temporary bypass road easement termination date, which occurred on June 17, 2019.

Further, the MH-1 Lease Paragraph 6.1.1.2 Second Milestone Date is, in the aggregate, 93,346 square feet of improvements not later than the date that is four (4) years after the Minimum Project Schedule Commencement Date. MH-1 Lease Paragraph 6.1.1.3 Third Milestone requires 118,804 square feet of improvements in the aggregate no later than the date which is six (6) years after the date of the Minimum Project Schedule Commencement Date. Finally, the MH-1 Lease Paragraph 6.1.1.4 Fourth Milestone Date requires commencement, in the aggregate, of 160,000 square feet of improvements not later than the date that is eight (8) years after the date of the issuance of the Minimum Project Schedule Commencement Date.

PLD is in full compliance with regards to the Minimum Project requirement and reserves it's rights under the lease for any "excess" square footage over the minimum build. As of the date of this letter, PLD's "excess" square footage is calculated as follows:

Commenced Improvements:	0
Less: Initial Min Build (Paragraph 6.1.1.1):	<u>(50,916)</u>
Total Excess Square Footage:	(50,916)
Proration less RIP Loco (91.9% of MH-1 Parcel) ¹	(46,801)

Community Benefits. DA §§ 3.8.1, 4.1 require PLD to comply with the Community Benefits under the CE-1 Ground Lease, including the CEQA Standards Conditions of Approval and Mitigation Monitoring and Reporting Program ("SCA/MMRPs"). Section 37.6 and Exhibit 37.6 of the MH-1 Ground Lease set forth the actual requirements of the Community Benefits package, which is broken into (i) Construction Jobs Policy for Vertical Construction; (ii) Construction Jobs Policy for Public Improvements; (iii) Operations Jobs Policy; and (iv) SCA/MMRPs. Grading and Site Improvement permits were issued on October 27, 2020, and Prologis provided verification of SCA/MMRPs related to construction during the construction period. Conglobal transitioned the majority of its operations to MH-1 on April 1, 2021. Construction in the MH-1 Ground Lease Area was completed in April 2021, and there was no active construction or related contracts in the MH-1 Lease Area during this reporting period. Therefore, Prologis has complied with all applicable requirements related to the Construction Jobs Policy for the MH-1 Lease Area during this reporting period. Further, during the proceeding construction process, as demonstrated in prior DA compliance reports, PLD has complied with all conditions of approval per the permits, the LDDA and the Lease.

Further, PLD is in full compliance with the requirements of the Operations Jobs Policy. DA §4.1 states that, "During such portion of the Term that the LDDA is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Article IV of the LDDA for such Phase. During such portion of the Term that a Ground Lease is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Section 37.6 of the applicable Ground Lease for such Phase. In addition, the parties hereby agree to amend the Construction Jobs Policy for the Public Improvements to require weekly compliance reporting through the website proposed by the California Capital & Investments Group, Inc." Section 37.6 of the Ground Lease includes the following Operations Jobs Policy requirements, as included in Exhibit 37.6:

- Developer shall ensure that any contract under which an On-Site Job, as defined in the Operations Jobs Policy, may be performed include the Operations Jobs Policy.

¹ Proration amount currently under review between Prologis and the City of Oakland.

Inclusion of such Policy in all relevant leases and contracts, and compliance with such Policy by the Developer, will fully meet the Developer obligation.

- Developer shall require compliance with the City Living Wage Ordinance for On-Site Jobs, in accordance with the terms of the Operations Jobs Policy
- Developer shall comply, and require its subtenants to comply with the City Equal Benefits Policy, except where such application would be inconsistent with the terms or conditions of a grant or a contract with an agency of the United States or the State of California
- Developer shall pay, at the time of each building permit application, the Jobs/Housing Impact Fee imposed pursuant to Council Ordinance 12422 to support the West Oakland Jobs Center
- Developer shall establish a Community Area Maintenance fee equal to \$0.005/month per leasable square foot of building space and pay annual fee into fund to support the Jobs Center. The annual fee shall increase consistent with the Ground Lease CPI Structure.

PLD is in compliance with the above requirements. PLD has included the Operational Jobs Policy in all relevant leases and contracts in the reporting period. Relevant contracts and leases in the reporting period for the MH-1 Lease Area includes the active lease with Conglobal. This lease contract includes copies of the Operational Jobs Policy. Subtenants at the OAB are required to comply with the City Equal Benefits Policy, which is also included as a stipulation in the applicable lease agreements. Furthermore, PLD has paid the required fees to support the West Oakland Jobs Center, as outlined in the requirements listed above. Therefore, PLD hereby attests that it is in compliance with the Operational Jobs Policy requirement for this Lease Area and has fully met its obligation under the DA for this reporting period.

Thus, PLD is in substantial good faith compliance with all requirements. Supporting documents for compliance are attached hereto as **Exhibit B – Conglobal Compliance Documentation**.

Insurance. DA§ 5.4 and Section 14.1 of the MH-1 Ground Lease require PLD to carry insurance of the types and in the amounts expressly set forth in Exhibit 14.1 of the PLD Ground Lease. From the date the PLD Ground Lease was executed, PLD has maintained insurance for the MH-1 lease area as required by the MH-1 Ground Lease. Thus, PLD is in substantial good faith compliance with its insurance obligations under the DA. Insurance certificate is attached hereto as **Exhibit D – Insurance Certificate**.

B. No Events of Default or Noncompliance

DA § 8.2 requires the City or the Developer to give written notice of any noncompliance with the DA to the non-complying party with a thirty (30) day cure period. Such notice must specify in

reasonable detail the grounds for the noncompliance and all facts demonstrating the noncompliance.

To date, neither the Developer nor PLD have received any written notice of noncompliance with the DA from the City regarding the MH-1. PLD is not aware of any other action on its behalf that would demonstrate bad faith compliance or noncompliance with the DA.

In conclusion, PLD is in good faith compliance with the DA on all lease areas. Please feel free to contact us upon your review should you have any questions or require further information.

Formal written communication with Prologis Mesquite is as follows:

Prologis Mesquite, LLC
Attention: Mark Hansen
Pier 1, Bay 1
San Francisco, CA 94111
Telephone: 415-733-9480
Email: Mhansen@prologis.com
Prologis
Attention: Stephen Schorr, Senior Property Manager
3353 Gateway Blvd.
Fremont, CA 94538

Prologis Mesquite, LLC
Attention: Managing Director, Capital Deployment
Pier 1, Bay 1
San Francisco, CA 94111
Telephone: 415-394-9000

With copy to:

Prologis
Attention: General Counsel
1800 Wazee Street, Suite 500
Denver, CO 80202
Facsimile: 303-567-5761
Telephone: 303-567-5000

Prologis
Attention: Cory Chung, VP - Development
3353 Gateway Blvd
Fremont, CA 94538
Telephone: 510-661-4002
Email: cchung@prologis.com

Prologis
Attention: Oakland Land Association Manager
3353 Gateway Blvd Fremont,
CA 94538
Telephone: 510-661-4060

As always, you can reach out to myself on my cell at 415-961-2457 or by email at cchung@prologis.com.

With gratitude,

Cory Chung
VP Development
Prologis
Cell: 415-961-2457
Email: cchung@prologis.com

Exhibit A - 2022 PODS Annual Compliance Report

Updated March 17, 2023

Oakland Global Logistics Center – 55-75 Admiral Robert Toney Way, Oakland, CA
Site CE-1, East Gateway Parcel

This 2022 Annual Compliance Report (2022 Report) serves as the basis for demonstrating compliance with the applicable requirements contained in the 2012 Initial Study (IS)/Addendum for the Oakland Army Base (OAB) Project Standard Conditions of Approval/Mitigation Monitoring and Reporting Program (SCA/MMRP) for the Portable On Demand Storage (PODS) Facility (tenant). PODS has a lease with Prologis to occupy the entirety of the warehouse (256,136 square feet) located at 55-75 Admiral Robert Toney Way, Oakland, CA, also referred to as CE-1. This 2022 Report provides an overview of tenant operations occurring in the annual compliance reporting period from July 2021 through June 2022.

PODS is a nation-wide company which moves goods in portable storage units. Such units are delivered by truck to homes and businesses where they are filled with personal or business belongings, are then picked up again by truck for storage in the PODS warehouse (or outdoor storage around the warehouse) before the storage unit is moved to the location requested by the client. The storage units are warehoused for a short or long duration, and per the client's needs are removed from the warehouse for delivery to a local or national destination. This building is not a refrigerated/cold storage warehouse. PODS uses the entire warehouse and portions of the parking area for storage of portable storage units.

Per SCA/MMRP Mitigation PO-1, the Air Quality Plan for Operation of the PODS Facility (Plan) was developed through a public process and approved by the City of Oakland (City) in 2018. The Plan demonstrates how the tenant will implement clean air measures at the Oakland site to fulfil the SCA/MMRP requirements. The Plan contains the following components, with the SCA/MMRP Mitigation Measure (MM) that each element addresses shown in parenthesis:

- 4.1) Truck and Equipment Diesel Emission Reduction (MM 4.4-4)
- 4.2) Encourage, Lobby, and Participate in Emission Reduction Demonstration Projects (MM 5.4-1)
- 4.3) Technology Review Program (MM 4.4-4)
- 4.4) Sustainable Design and Construction (SCA TRANS-1, MM 4.4-6)
- 4.5) Transportation Control Measures and Parking/Transportation Demand Management (SCA TRANS-1, MM 4.4-5)
- 4.6) Quantification of Diesel Emissions (MM 4.4-4)

The table below summarizes the required elements that were included in the Plan, the method of compliance, and the required dates of compliance for each element.

Table 1: PODS Air Quality Plan Elements Implementation Summary

ID	Description of Plan Element	Compliance Method/Description	Required Date of Compliance
4.1 Truck /Equipment Diesel Emission Reduction			
4.1.1 – On Road Trucks		[provide truck fleet compliance certificate]	Prior to occupancy and upon audit

ID	Description of Plan Element	Compliance Method/Description	Required Date of Compliance
4.1.2 – Drayage Trucks		[provide truck or truck fleet compliance certificate]	If operations change such that drayage trucks are used
4.1.3- Trucks with TRU's		N.A.	N.A.
4.1.4 – Idling Rules for trucks		[provide idling policy signage]	Prior to occupancy
4.1.5 – Dock Management		[provide a plan to monitor truck deliveries and potential queuing]	Prior to occupancy
4.1.6 – Compliance with Truck Routes and Truck Management Plan		Provide information to truck drivers who serve this facility	Continuous
4.1.7 – CARB Compliance		[provide fleet info]	Continuous
4.1.8 – Off Road Equipment		[provide off-road equipment fleet info; participate in CARB DOORS program]	Prior to occupancy and upon audit.
4.1.9 – Idling Rules for off-road equipment		[provide idling policy signage]	Prior to occupancy
4.2 Demonstration Projects			
4.2.1-4 – Demo Projects Participation		[provide any demonstration projects]	On-going with documentation upon audit
4.3 Technology Review			
4.3.1-3 – Technology Review Program		[provide technology review every three years]	Every three years continuously
4.4 Sustainable Design			
4.4.1 – LEED Gold components		[show on building permit plans]	With building permit for tenant improvements
4.4.2 – Title 24 Compliance		[show on building permit plans]	With building permit for tenant improvements
4.4.3 – Renewable Energy		[if proposed, describe solar PV or other onsite renewable energy system – how many kW, expected generation]	If proposed
4.5 Transportation Control Measures			
4.5.1 – Transp. Control measures		[show on building permit plans]	With building permit plans
4.5.2 – Fund Fair Share Programs		[City to assess fair share once program is finalized]	Prior to issuance of the permanent certificate of occupancy or upon finalization of Fair Share program by the City
4.3.2 – Parking/TDM Program		[provide a plan to reduce employee single-driver traffic]	Prior to issuance of permanent certificate of occupancy
4.6 Quantifications of Diesel Emissions			
4.6.1: Quantification of emissions		[provide estimate of emissions]	Prior to occupancy

ID	Description of Plan Element	Compliance Method/Description	Required Date of Compliance
	4.6.2: Compare cumulative emissions to CEQA Threshold of Significance	[provide update of emissions estimate when requested by City]	When needed based on development of other permanent/long-term facilities at the OAB
	4.6.3: Participation in off-set program or other emission reduction measures, if required.		Same as 4.6.2

This report provides proof of compliance for measures that are required to be implemented on an ongoing/continuous basis, or where compliance is required to be demonstrated upon audit. Measures where proof of compliance was required to be verified during the building permit application or prior to occupancy have already been reviewed and verified by the City, as required as a part of the permitting process. Numbering in the following sections corresponds to the numbering conventions used in the Plan, as outlined in the table above.

As of 2019, PODS has subleased a portion of the building at the site to the subtenant, R&A Trucking. Per the subtenant, R&A Trucking utilizes the site to receive and store parts and components for their customers, which are then shipped out to the customer location depending on demand. No R&A Trucking vehicles are domiciled at the PODS Oakland location. Further information on the R&A Trucking operations at the PODS site are also provided below.

4.1 Truck and Equipment Diesel Emission Reduction

4.1.1 On Road Trucks: The tenant's on-road fleet of trucks is provided in the table below. An example of a typical on-road truck in-use at the operation is shown in Figure 1, below.

Table 2: On-Road Vehicles in PODS Fleet at Oakland Global Logistics Center (2022)

Vehicle Number	Vehicle Type	Make (Model)	Model Year	Engine Year	License Plate #	Fuel Type
1	Flatbed Truck	Freightliner (M2 106)	2018	2018	A946HR	Diesel with Original PM Filter
2	Flatbed Truck	Freightliner (M2 106)	2018	2018	A945HR	Diesel with Original PM Filter
3	Flatbed Truck	Peterbilt (337)	2022	2021	H015HT	Diesel with Original PM Filter
4	Flatbed Truck	Freightliner (M2 106)	2018	2018	6654TE2	Diesel with Original PM Filter
5	Flatbed Truck	Freightliner (M2 106)	2017	2017	E196HT	Diesel with Original PM Filter
6	Flatbed Truck	Freightliner (M2 106)	2017	2017	E065HT	Diesel with Original PM Filter

Vehicle Number	Vehicle Type	Make (Model)	Model Year	Engine Year	License Plate #	Fuel Type
7	Flatbed Truck	Freightliner (M2 106)	2017	2017	E066HT	Diesel with Original PM Filter
8	Flatbed Truck	Freightliner (M2 106)	2017	2017	E017HT	Diesel with Original PM Filter
9	Flatbed Truck	Freightliner (M2)	2015	2015	G430HT	Diesel
10	Flatbed Truck	Freightliner (M2 106)	2017	2017	E197HT	Diesel with Original PM Filter
11	Flatbed Truck	Freightliner (M2 106)	2016	2016	E620HV	Diesel with Original PM Filter
12	Flatbed Truck	International (MV607)	2020	2019	4790Y2	Diesel with Original PM Filter

Figure 1: Examples of PODS On-Road Flatbed Trucks (June 2022)



PODS also contracts with National Distribution Centers, LLC (NDC) for long-haul transportation. NDC moves the PODS containers from storage center to storage center across the US and Canada. NDC trucks typically arrive at the local storage centers, such as the CE-1 Warehouse, and are unloaded and loaded with containers and leave on their route. They do not make local deliveries and do not travel with PODzillas.

For the PODS subtenant at the site, R&A Trucking, the trucks that operate out of the Oakland site are port compliant, and are registered with the Port of Oakland Port Registry, ensuring that the trucks meet the regulatory requirements included in the SCA/MMRP for both the developer and for the Port. A listing of the trucks that may operate out of the PODS Oakland site, where operations currently include dropping off/picking up automotive kitting parts and subparts, is included in the figure below, as provided by R&A Trucking. Per R&A Trucking, an estimated three to six (3-6) truck trips per day occur to the PODS Oakland site.

Figure 2: R&A Trucking Truck List, Demonstrating Compliance with Port of Oakland Requirements

PORT OF OAKLAND PORT REGISTRY
Local Time : 11:23:23 AM PT Company Pro

Trucks

Plate Truck Label MTO RFID #

[Un-Register](#) [Make Payment](#)

Select trucks using checkbox(es) below before you Pay Fees or Un-Register

<input type="checkbox"/>	Label	Model Year	Plate	State	MTO RFID	STEP Decal #	Payment Status
<input type="checkbox"/>	RA75	2019	RA75	CA	34508075		Paid thru 2023
<input type="checkbox"/>	RA72	2019	RA72	CA	33856326		Paid thru 2023
<input type="checkbox"/>	RA79	2019	RA79	CA	34508440		Paid thru 2023
<input type="checkbox"/>	RA84	2019	RA84	CA	33969958		Paid thru 2023
<input type="checkbox"/>	RA77	2019	RA77	CA	34728602		Paid thru 2023
<input type="checkbox"/>	RA71	2019	RA71	CA	34692027		Paid thru 2023
<input type="checkbox"/>	RA78	2019	RA78	CA	34691985		Paid thru 2023
<input type="checkbox"/>	RA73	2019	RA73	CA	34728858		Paid thru 2023
<input type="checkbox"/>	RA74	2019	RA74	CA	34728491		Paid thru 2023
<input type="checkbox"/>	RA76	2019	RA76	CA	34506818		Paid thru 2023
<input type="checkbox"/>	RA83	2019	RA83	CA	34728829		Paid thru 2023
<input type="checkbox"/>	RA80	2019	RA80	CA	34691965		Paid thru 2023
<input type="checkbox"/>	RA87	2021	9F07050	CA	34728493		Paid thru 2023
<input type="checkbox"/>	RA82	2021	9G14617	CA	33891410		Paid thru 2023
<input type="checkbox"/>	RA88	2021	9G14616	CA	34728755		Paid thru 2023
<input type="checkbox"/>	RA81	2021	9G14620	CA	34048766		Paid thru 2023
<input type="checkbox"/>	RA86	2021	9G14621	CA	34687342		Paid thru 2023

The Access Yes/No Indicator includes validating the truck for comp

A State DTR value of 'M' indicates that the Truck's VIN is n

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Version 1.15

4.1.2 Drayage Trucks: As of the date of this report, no drayage trucks are in operation at the tenant site.

4.1.3 Trucks with TRU's: As of the date of this report, no TRU's are in operation at the tenant site.

4.1.5 Dock Management: Per Measure 4.1.5, a dock management or loading/unloading system needs to be developed and implemented for delivery requirements to ensure: (1) truck idling times do not exceed 2 minutes when the trucks are on-site, (2) electric capable TRU's are plugged in, and (3) on-site TRU diesel engine runtime be limited to 15 minutes.

PODS does not experience queuing at the site, unlike typical cargo or freight-handling facilities. As described by the tenant, PODS receives an average of 10-15 truck trips daily. "We have both local delivery trucks and inter-franchise (IF) trucks (for longer moves). Our local trucks have an idle shut-off time that is monitored by Ryder. This idle shut-off is set at 2 minutes for the fleet of trucks that operates out of the Oakland PODS site, and the truck is programmed to automatically shut-off the truck engine after 2 minutes of idling, ensuring compliance with this measure."

“Local trucks can only hold one of our largest sized containers. The inter-franchise trucks can hold 3-4 depending on their sizes. A forklift is used to load and unload containers from these trucks at our storage centers. A PODzilla is used at a customer’s property; it is not used to load and unload containers at our storage facilities. As trucks come in, they are loaded/unloaded and then they will leave on their route. Furthermore, PODS has implemented a drivers training course, including hand-outs and established policies, to ensure that drivers operating out of the PODS site are aware of, and follow, the anti-idling policies established at the Oakland site.”

As truck idling times do not exceed 2 minutes on-site, and there are no TRU’s in operation at the site, PODS is in compliance with this requirement through the operation of the current loading/unloading system.

4.1.6 Compliance with Truck Routes and West Oakland Truck Management Plan: All trucks serving the PODS warehouse must use designated truck routes to arrive and depart from the building and throughout circulation in the city of Oakland. Additionally, such trucks shall comply with the West Oakland Truck Management Plan, upon its approval, or with other City-approved truck regulations in effect at the time of operation of the truck serving this tenancy.

PODS staff follow established truck routes, and PODS notifies contracted drivers about the truck route requirements. There are signs posted in the PODS facility (see photographs below) indicating the approved truck routes, and training is provided by PODS to the drivers about the approved truck routes and prohibited streets. PODS also takes into account allowed/prohibited streets when reviewing and approving orders, and will not process an order that is in a prohibited area where trucks are not allowed.

Figure 3: City of Oakland Truck Routes and Prohibited Streets

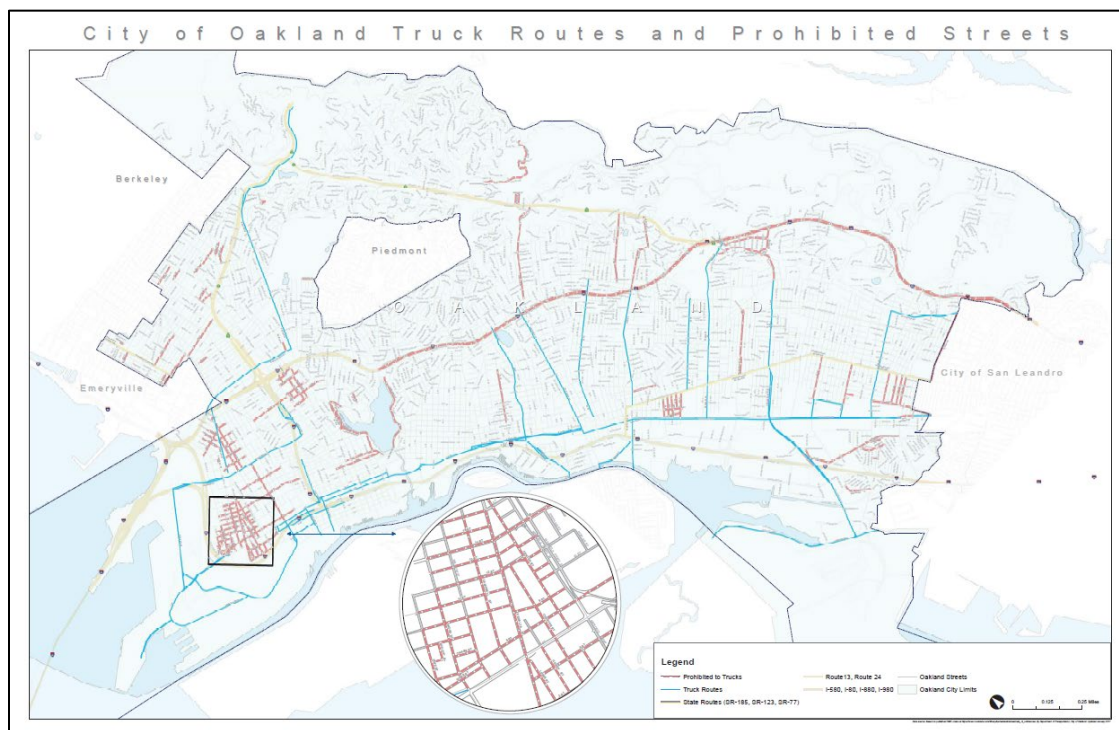
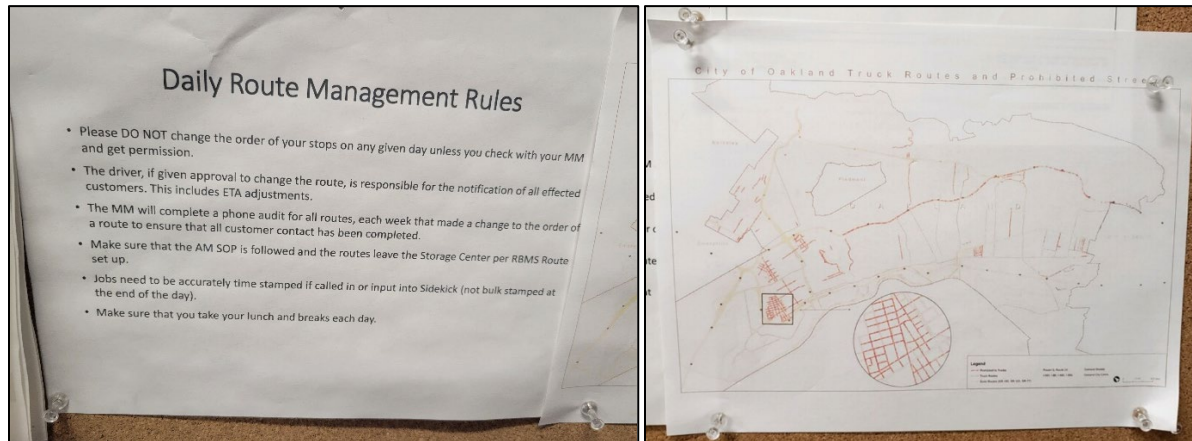


Figure 4: PODS Policy on Route Management, as Posted at CE-1 Warehouse (June 2022)



- 4.1.7 CARB Compliance:** Compliance with applicable air quality regulations for commercial trucks and vans is required, including the CARB Tractor-Trailer Greenhouse Gas Reduction Regulation, Periodic Smoke Inspection Program, Statewide Truck and Bus Regulation, or Drayage Regulation. All truck fleets owned by PODS, or under contract with PODS to provide delivery services to/from this warehouse, need to provide proof of compliance through CARB certificates of compliance or copies of annual smoke test results.

Please see Appendix A to this Exhibit for copies of smoke tests for the PODS fleet. Appendix B contains the CARB Truck and Bus Regulation Certificate of Compliance for PODS, and Appendix C contains the CARB Truck and Bus Regulation Certificate of Compliance for NDC.

- 4.1.8 Off Road Equipment:** Off-road equipment over 25 horsepower, including but not limited to yard equipment, exterior forklifts and the Podzilla machine used to move the pods, shall be near-zero or zero emission equipment. This includes Tier 4i or Tier 4 diesel equipment (or equivalent if Tier system is not applicable to a particular piece of equipment); such equipment can also be electric, propane, bio-diesel, unleaded gasoline and alternative-fueled equipment. Indoor off-road equipment including but not limited to interior forklifts, scissor lifts and reach trucks shall be electric, propane, unleaded gasoline or alternative-fueled equipment.

PODS shall submit an equipment list of all off-road equipment to be used both indoors and outdoors to demonstrate that zero and near-zero emission (including Tier 4 or 4i diesel equipment or equivalent) equipment, or electric, propane, bio-diesel, unleaded gasoline or alternative-fueled equipment will be used during operations.

PODS is encouraged to use electric or alternative-fueled off-road equipment and to participate in pilot programs, grant funding and vouchers from the BAAQMD for electric and alternative fuel off-road equipment. All off-road equipment shall be properly serviced and maintained throughout the life of the equipment. Compliance with all applicable CARB regulations for off-road diesel equipment used at this site is required, including but not limited to the Diesel Off-Road Online Reporting System (DOORS) and the Equipment Identification Number (EIN).

The PODS CE-1 warehouse off-road equipment fleet is provided in the table below, and examples of the off-road equipment utilized on-site are provided in the figure below.

Table 3: 2022 PODS Off-Road Equipment Fleet

Vehicle Serial Number	Vehicle Type	Make (Model)	Model Year	Fuel Type
C909V01540R	Forklift	Yale (GLP175VX)	2017	Propane
C909V01596S	Forklift	Yale (GLP175VX)	2018	Propane
C909V01641T	Forklift	Yale (GLP175VX)	2019	Propane

Figure 5: Yale Forklift at CE-1 Warehouse (June 2022)



In addition to the above forklifts, specialized loading/unloading equipment, called PODzillas, are a part of the PODS fleet, but are utilized off-site for deliveries and pick-ups of the PODS storage units. PODzillas may be started at the Oakland site to facilitate occasionally transferring the PODzilla unit from one truck to another, but this is not typical, and the PODzilla units are not otherwise utilized in operations at the Oakland PODS site. Therefore, emissions from these units are minimal. Furthermore, these units are registered and compliant with all CARB regulations. Please reference Appendix D for a copy of PODS Certificate of Compliance with the CARB In-Use Off-Road Diesel-Fueled Fleets regulation.

Additionally, off-road equipment utilized by the PODS Oakland site subtenant, R&A Trucking, is provided in the table below.

Table 4: 2022 R&A Trucking Off-Road Equipment Fleet

Vehicle Serial Number	Vehicle Type	Make (Model)	Model Year	Fuel Type
FDB0K-1930-00344	Forklift	Doosan (D40S-7)	2018	Diesel
98160575	Pallet Jack	Jungheinrich (EJE 120)	2018	Electric

The CARB EIN for the diesel forklift is WJ5L56. This unit is registered with CARB, and compliant with all applicable regulations and requirements for diesel off-road equipment.

4.2 Participation in Emissions Reduction Demonstration Projects/Technology Review Program

Per Sections 4.2.1. through 4.2.4, PODS shall evaluate and participate, as feasible, in emission reduction demonstration projects that promote technological advances in improving air quality. Examples of some demonstration projects include but are not limited to: hybrid or electric yard hostlers and fork lifts, biodiesel powered yard equipment, CNG/LNG technology implementation, energy generation via mechanical systems using truck weight to generate electricity. PODS is encouraged to utilize innovative and cleaner technology/equipment from operations in other PODS locations. PODS will provide contact information to the BAAQMD for receipt of information regarding grants, vouchers and other funding opportunities for demonstration opportunities. PODS will report on demonstration projects considered per the Technology Review Program.

PODS is aware of this requirement and will review any opportunity that is presented as well as pursue opportunities to reduce emissions. PODS has provided contact information to the BAAQMD, office of grants and incentives (grants@baaqmd.gov) for receipt of information regarding grants, vouchers, and other funding opportunities for demonstration opportunities. Please see Section 4.3, below, for information regarding the Technology Review Program.

4.3 Technology Review Program

Per Sections 4.3.1 – 4.3.3, PODS shall use cleaner technology over time as it becomes more readily available, practical and economically feasible. To accomplish this, PODS shall review new technology every three years and with equipment turnover (prior to acquisition of, or lease of) additional or replacement off-road equipment to see if zero or near-zero equipment is economically feasible and practical.

PODS shall investigate and make part of such analysis, any grant, voucher or other type of program that would help offset cost and/or otherwise make such equipment available, practical and economically feasible.

PODS shall submit such technology review to the City. If the technology review demonstrates that new technology/equipment will be effective in substantially reducing emissions, is available, practical and economically feasible as determined by PODS, then PODS shall implement such technology within 12 months.

Per the requirements of Section 4.3, PODS has submitted a Technology Review to the City of Oakland, has been approved by the City as of January 10, 2023. If the results of future technology reviews demonstrates that new technology/equipment will be effective in substantially reducing emissions, is available, practical and economically feasible as determined by PODS, then PODS shall implement such technology within 12 months, as required.

4.5.3 PODS needs to prepare and implement a Parking and Transportation Demand Management Plan per SCA TRANS-1, as applicable and consistent with the number of on-site employees, with the goal of reducing drive-alone commute trips during peak traffic periods.

To support continued compliance for this measure, the following information is provided:

- Total number of employees at warehouse: 17 total employees
- Number of shifts: One Shift
- Timing of shifts: 0630 – 1800

PODS currently has 5 full and/or part time employees at this site working in the office and the warehouse, plus 12 drivers for local trucks, with the site in operation one shift per day from 6:30 am to 6 pm. PODS implements shift start and end times that are not at peak-hours to further reduce congestion related to employee commuting to the site. PODS has posted informative posters/signs in the break rooms, locker rooms, and employee gathering places about public transportation and ride sharing to spread awareness of the opportunities that are available to reduce the number of solo commuter vehicle trips (please see photograph below). Secure bicycle parking is available on site. Additionally, PODS is aware of and, as applicable, compliant with the Bay Area Commuter Benefits Program administered by the Bay Area Air Quality Management District (BAAQMD) which applies to all employers with a specified number of employees working within the geographic boundaries of the BAAQMD air district. Please refer to BAAQMD Regulation 14, Rule 1 for more details.

Figure 6: Flyer Promoting Public Transportation/Ridesharing Opportunities in PODS Breakroom

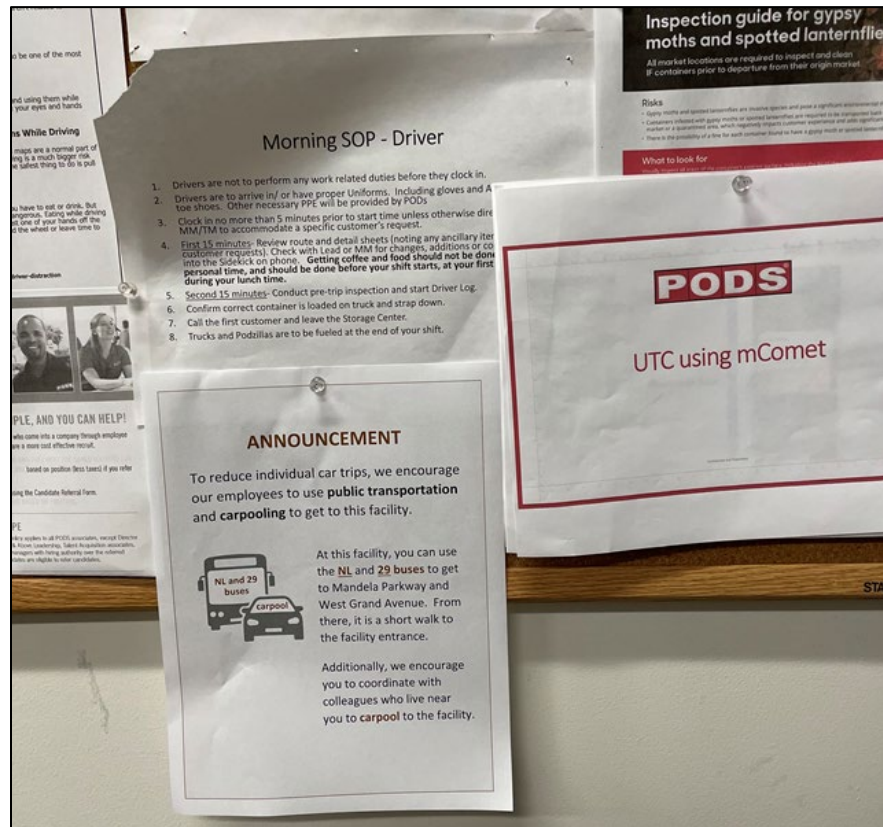


Exhibit A

2022 PODS Annual Compliance Report

2022 PODS Annual Compliance Report

Appendix A

On-Road Fleet Annual Smoke Tests



Vehicle Work Summary for PODS ENTERPRISES LLC

Page 1 of 3

Unit #: 8503566
My Unit #: 8503566
Mileage: 257,545

Unit Type: SAD MEDIUM VAN
Make: 2015 FREIGHTLINER M2
VIN: 3ALACXDT8FDGD5947

RO: 0522-420142
Date In: 01/11/2022
Date Out: 02/04/2022

Repairs Made:

019 PREVENTIVE MAINTENANCE		DVIR Number	Description	Part#	Quantity
Complaint:	SCHEDULED PM		FILTER,ELEMENT,AIR FILTER	AF26427FLG	1.0
Cause:	PREVENTIVE MAINTENANCE		FLEETRITE FILTER, LUBE /O...	FLTLFFR001	1.0
Correction:	COMPLETE ME1 - MEDIUM DUTY DIESEL, FEDERAL ANNUAL INSPECTION		FILTER, FUEL SPIN-ON	FF63054NN	1.0
Notes:	PERFORM COMPREHENSIVE, PREVENTIVE MAINTENANCE INSPECTION; ROAD TEST; OIL ANALYSIS; CHANGE OIL AND FILTERS; DOCUMENT ADDITIONAL REPAIRS AS NEEDED.		PENSKE-A OIL ANALYSIS KIT	AOKT0067667022	1.0
Tech or Vendor:	[EDUARDO]				

043 EXHAUST SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	INSPECT UNIT FOR EMISSIONS, OPACITY / SMOKE.				
Cause:	REQUIRED TESTING AND INSPECTION				
Correction:	COMPLETE OP1 - OPACITY OR EMISSIONS TESTING (SMOG TEST)				
Notes:	CONDUCTED INSPECTION AND TESTED OF UNIT EMISSIONS FOR OPACITY / SMOKE.				
Tech or Vendor:	[EDUARDO]				

034 LIGHTING SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	LEFT REAR FLASHER INOP		LIGHT BULB	5005	1.0
Cause:	WRONG TYPE OF BULB INSTALLED				
Correction:	REPLACE TRAILER BULBS - REAR, TAIL, STOP, TURN & LICENSE				
Notes:	CHECK POWER TO DEFECTIVE LIGHT; REMOVE COVER AND REMOVED BULB, HAD 1 FILAMENT BULB INSTALLED, INSTALLED CORRECT BULB AND TESTED OPERATION				
Tech or Vendor:	[KYLE]				

034 LIGHTING SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	REAR CENTER CLEARANCE LIGHT IS MISSING		ROUND MARKER LIGHT	5005	1.0
Cause:	MISSING		MARKER LIGHT GROMMET	5005	1.0
Correction:	REPLACE CLEARANCE/MARKER LIGHT CAB AND CHASSIS ONLY-REAR RIGHT TOP/UPPER CENTER				
Notes:	CHECK POWER TO DEFECTIVE LIGHT(S); REPLACE AS NEEDED; VERIFY OPERATION				
Tech or Vendor:	[KYLE]				

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Vehicle Work Summary for PODS ENTERPRISES LLC

Page 2 of 3

Unit #: 8503566
My Unit #: 8503566
Mileage: 257,545

Unit Type: SAD MEDIUM VAN
Make: 2015 FREIGHTLINER M2
VIN: 3ALACXDT8FDGD5947

RO: 0522-420142
Date In: 01/11/2022
Date Out: 02/04/2022

013 BRAKES	DVIR Number	Description	Part#	Quantity
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Complaint: SLOW AIR LEAK WHEN SITTING
Cause: 2 FITTINGS LEAKING ON AIR TANK
Correction: REPAIR LINE/FITTING-HYD OR AIR
Tech or Vendor: [KYLE]

034 LIGHTING SYSTEM	DVIR Number	Description	Part#	Quantity
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Complaint: MULTIPLE CLEARANCE LIGHTS KEEP GETTING DISCONNECTED WHEN DRIVING - LOOSE CONNECTIONS
Cause: TERMINALS SPREAD OPEN ON LIGHTS
Correction: REPAIR CLEARANCE / MARKER LIGHT/LAMP WIRING (REAR) BOX / BODY / TRAILER
Notes: CHECKED ALL LIGHTS AND FOUND SEVERAL LIGHTS WITH LOOSE CONNECTIONS, REMOVED LIGHTS AND FOUND TERMINALS WERE SPREAD OPEN, MADE CONNECTIONS TIGHTER AND REINSTALLED, CHECKED ALL LIGHTS FOR PROPER OPERATION
Tech or Vendor: [KYLE]

069 VEHICLE CLEAN UP/ DETAILING	DVIR Number	Description	Part#	Quantity
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Complaint: DISINFECT CAB INTERIOR
Cause: PREPARATION
Correction: SANITIZE UNIT
Notes: SANITIZE VEHICLE INTERIOR PER SANITIZATION GUIDELINES
Tech or Vendor: [EDUARDO]

053 EXPENDABLES	DVIR Number	Description	Part#	Quantity
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Complaint: MUD FLAP BRACKETS BENT
Cause: BENT
Correction: REPAIR MUD FLAP BRACKET
Tech or Vendor: [KYLE]

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Vehicle Work Summary for PODS ENTERPRISES LLC

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Unit #: 8503566
My Unit #: 8503566
Mileage: 257,545

Unit Type: SAD MEDIUM VAN
Make: 2015 FREIGHTLINER M2
VIN: 3ALACXDT8FDGD5947

RO: 0522-420142
Date In: 01/11/2022
Date Out: 02/04/2022

013 BRAKES		DVIR Number	Description	Part#	Quantity
Complaint:	DRIVER SIDE FIRST REAR DRIVE AXLE BRAKE PAD OR LINING DOES NOT MEET THE MINIMUM REQUIREMENTS				
Cause:	PM WRITE UP				
Correction:	INSPECT BRAKES/BRAKES ARE WITHIN SPEC/NO REPAIRS MADE				
Notes:	NO PROBLEMS FOUND, INSPECTED REAR BRAKES, BOTH WERE WITHIN SPEC AT 14/32NDS				
Tech or Vendor:	[KYLE]				
061 ACCIDENT/INCIDENT		DVIR Number	Description	Part#	Quantity
Complaint:	DRIVER SIDE STEER AXLE WHEEL STUDS ARE DAMAGED		STUD,WHEEL HUB	CM 10001405	10.0
Cause:	INCIDENT		NUT	OKA WNM2227TIXY	10.0
Correction:	REPLACE FRONT AXLE WHEEL STUDS				
Notes:	RAISE FRONT AXLE; REMOVE WHEEL; REMOVE AND REPLACE WHEEL STUD(S) WITH NEW; REINSTALL WHEEL; TORQUE LUG NUTS TO SPEC				
Tech or Vendor:	[KYLE]				

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OPACITY TESTING PREVENTIVE MAINTENANCE

 SERIES **OP** **8701368**
 VEHICLE NUMBER

Code:	<input checked="" type="checkbox"/> OK <input checked="" type="checkbox"/> Additional Work Required <input type="checkbox"/> Not Applicable	Schedule: (Type) OP-1 (Days) 365	Mileage 514000 Date 03/26/2022 Current Odometer 239570
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Staple Printout Here

I. Pre-Test Requirement	Code	Init	III. CONDUCT OPACITY TEST	TESTING RESULTS
1. Calibrate smoke opacity test machine before <u>EACH</u> use. Use appropriate <u>area</u> on right of document.	/	G	19. Use the J-1667 Opacity Testing Procedure	Preliminary Clean Out Snaps
2. Bring engine to operating temperature.	/	G	Vehicle and Condition Information	Test # Peak %
3. Check wheels, set parking brake and put transmission in park or neutral.	/	G	Test Date: 03-26-22 Time: 14:27: F6	1 0.87
4. Turn off engine brake and air conditioning.	/	G	Meter Mtg. R.M. Model: S.Ch. 1667	2 0.79
5. Inspect for exhaust leaks.	/	G	S/N: 2481970 Software Version: 1.97 CA	3 0.87
II. Visual Inspection	Code	Init	Tested by: Jose G.	OFFICIAL OPACITY TESTS
6. Inspect engine governor for proper operation.	/	G	Vehicle #: 8701368	Test # Peak % Corrected Peak %
7. Inspect all seals and covers protecting the air-fuel ratio adjustments for tampering.	/	G	Year & Make: 2016 Freight	1 0.91 0.91
8. Inspect all fuel injection pump seals or covers for leakage and / or tampering.	/	G	Vehicle Mileage: 239570	2 0.95 0.95
9. Inspect the air cleaner and flow restriction indicator for possible obstruction.	/	G	Year of Engine: 2015	3 0.95 0.95
10. Inspect the Exhaust Gas Recirculation Valve (EGR) for proper operation and tampering.	/	G	Engine Manufacturer: Cummins	Results Corrected for Ambient Conditions
11. Inspect the particulate matter trap system or catalytic converter system, including pipes and valves for leaks and tampering.	/	G	H.P. 240	Peak Opacity Difference: 0.04 %
12. Inspect all related hoses, connections, brackets and hardware.	/	G	Ambient Temp.: 79.3 F	Difference within Specification:
13. Inspect engine computer controls, related sensors and actuators.	/	G	Barometric Pressure: 29.83 inHg	Test is (circle one): Valid / Not Valid
14. Check to ensure Emission Control Labels (ECL) are in place.	/	G	Relative Humidity: 28.1 %	3 test average opacity: 0.93 %
15. Inspect any other related components for a particular vehicle / engine as determined from the manufacturer's specification, emission control label, certification data or published vehicle parts manual.	/	G	Visual Inspection Results: (See checklist on left) OK	Maximum Limit - Engines 1991 and Newer: 40%
16. Attach testing machine print out to top of form (above, middle).	/	G	Testing System Calibrated: Yes No	Zero-Drift Check (circle one) Pass / Fail
17. File a copy in the unit jacket file. A copy <u>must</u> be filed in this file.	/	G	Calibrated By: Init: [Signature]	Test Results (circle one) Pass / Fail
18. Check for additional PM's to be performed depending on applicable equipment.	/	G		Last Calibrated on: Date 03/26/2022 Time: 14:16:24
19. Attach scanned copy of OP PM & Opacity Meter Test Results to the RO on the OP PM Job	/	G		Calibration Filter: 50.8 %

Inspection Performed By Jose Garcia Date 03-26-2022 Signature [Signature]
 Technician CCDET # 21958 Expiration Date 12-31-2020

OPACITY TESTING PREVENTIVE MAINTENANCE

SERIES

OF



VEHICLE NUMBER

[illegible]

Note : Safety/DOT Items must be repaired before vehicle is released.

Note: Repair Status of CD or JD should be Initialed by Supervisor/Lead Tech if assigned to do so

Repair Status Definitions : RC = Repair Completed ND = No Defect found after further review CD = Customer Decision not to repair
JD = Job dropped from safety related repair/vehicle is safe to operate, additional work will be rescheduled – PM form can be completed and filed)

Inspection Performed by: 	Date: 03/26/2022	Additional Repairs Completed by:	Date: / /
Inspection Approved By: 	Date: 3/25/22	Additional Repairs Approved by:	Date: / /

CERTIFICATION: This vehicle has passed all the inspection items for the annual vehicle inspection requirements in accordance with 49 CFR 396.17



Vehicle Work Summary for PODS ENTERPRISES LLC

Page 1 of 3

Unit #: 8701419
My Unit #: 8701419
Mileage: 202,531

Unit Type: SAD MEDIUM OTHER
Make: 2017 FREIGHTLINER M2
VIN: 3ALACXDT2HDHR7354

RO: 0522-422571
Date In: 04/28/2022
Date Out: 04/30/2022

Repairs Made:

043 EXHAUST SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	INSPECT UNIT FOR EMISSIONS, OPACITY / SMOKE.				
Cause:	REQUIRED TESTING AND INSPECTION				
Correction:	COMPLETE OP1 - OPACITY OR EMISSIONS TESTING (SMOG TEST)				
Notes:	CONDUCTED INSPECTION AND TESTED OF UNIT EMISSIONS FOR OPACITY / SMOKE.				
Tech or Vendor:	[TONY P]				
019 PREVENTIVE MAINTENANCE		DVIR Number	Description	Part#	Quantity
Complaint:	SCHEDULED PM		FILTER	AF26427	1.0
Cause:	PREVENTIVE MAINTENANCE		FILTER, FUEL SPIN- ON	FF63054NN	1.0
Correction:	COMPLETE ME1 - MEDIUM DUTY DIESEL, FEDERAL ANNUAL INSPECTION		FILTER-LUBE OIL	LF3970	1.0
Notes:	PERFORM COMPREHENSIVE, PREVENTIVE MAINTENANCE INSPECTION; ROAD TEST; OIL ANALYSIS; CHANGE OIL AND FILTERS; DOCUMENT ADDITIONAL REPAIRS AS NEEDED.		PENSKE-A OIL ANALYSIS KIT	AOKT0068957088	1.0
Tech or Vendor:	[TONY P]				
013 BRAKES		DVIR Number	Description	Part#	Quantity
Complaint:	DVIR- AIR LEAK THROUGH PARKING BRAKE				
Cause:	UNABLE TO SEE NOR HEAR A LEAK AT THE MOMENT				
Correction:	INSPECT BRAKES/BRAKES ARE WITHIN SPEC/NO REPAIRS MADE				
Notes:	INSPECTED THE THE AIRLEAK AS COMPLAINT STATES AND PRESSURE TESTED THE UNIT PARKING BRAKE VALVE RELEASED AND KEY ON AND SPRAYED ALL THE FITTINGS, VALVES, HOSES AND ALSO THE PODS/CHAMBER AND NO LEAKS DETECTED, ALSO HAD THE SYSTEM PRESSURIZED FOR OVER A HOUR AND IT DID NOT LOOSE PRESSURE, UNABLE TO VERIFY COMPLAINT AT MOMENT				
Tech or Vendor:	[ALEX Z]				
043 EXHAUST SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	DVIR - CEL ON		SENSOR, NITROGEN OXIDE	4326869RX	1.0
Cause:	OUTLET NOX SENSOR INTERNALLY SHORTED		Core-SENSOR, NITROGEN OXIDE	4326869RX	1.0
Correction:	REPLACE - SENSOR - NITROGEN OXIDE, DIESEL EXHAUST FLUID NOX-REAR		CoreCredit-SENSOR, NITROGEN	4326869RX	1.0
Tech or Vendor:	[ALEX Z],[RAYMON]				

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Vehicle Work Summary for PODS ENTERPRISES LLC

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Unit #: 8701419
My Unit #: 8701419
Mileage: 202,531

Unit Type: SAD MEDIUM OTHER
Make: 2017 FREIGHTLINER M2
VIN: 3ALACXDT2HDHR7354

RO: 0522-422571
Date In: 04/28/2022
Date Out: 04/30/2022

003 INSTRUMENTS, GAUGES, WARNING & SHUTDOWN DEVICES, & METERS

Complaint: METER OR MILEAGE READING REQUIRED
Cause: MISSING METER OR MILEAGE READING
Correction: LOCATE UNIT, MOVE TO WORK LOCATION, RECORD ALL CURRENT METER READING(S) ONTO RO, TO UPDATE THE UNIT
Notes: RETRIEVE THE UNIT, OBTAIN ALL METER/HOUR/CYCLE READING(S) IN ORDER TO UPDATE THE UNIT PRIOR TO STARTING THIS PM. THIS WILL ENSURE ALL PROPER PM(S) ARE BEING ADDED AT THIS TIME.
Tech or Vendor: [TONY P]

034 LIGHTING SYSTEM

Complaint: THREE MARKER LIGHTS ARE INOP
Cause: BULBS ARE BRUNT OUT
Correction: REPLACE CLEARANCE/MARKER LIGHT CAB AND CHASSIS ONLY-REAR LEFT,REAR RIGHT,LEFT
Notes: CHECK POWER TO DEFECTIVE LIGHT(S); REPLACE AS NEEDED; VERIFY OPERATION
Tech or Vendor: [TONY P]

042 COOLING SYSTEM

Complaint: UNIT COOLANT LEVEL CONCERN
Cause: LOW COOLANT LEVEL
Correction: PRESSURE TEST COOLING SYSTEM
Notes: PRESSURIZE SYSTEM; INSPECT SYSTEM FOR LEAKS; REPAIR AS NEEDED
Tech or Vendor: [RIGO]

012 FRONT AXLE, SUSPENSION & BEARINGS

Complaint: U-BOLT IS SEIZED ALL U- BOLTS NEED TO BE TIGHTEN
Cause: PM WRITE UP
Correction: INSPECT FRONT END/AXLE-SUSP-BRGS/NO PROBLEMS FOUND/NO REPAIRS MADE
Notes: RAISE FRONT AXLE; CHECK FOR FREE PLAY IN ALL FRONT AXLE COMPONENTS AND BEARINGS; NO REPAIRS NECESSARY
Tech or Vendor: [RIGO]

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Vehicle Work Summary for PODS ENTERPRISES LLC

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Unit #: 8701419
My Unit #: 8701419
Mileage: 202,531

Unit Type: SAD MEDIUM OTHER
Make: 2017 FREIGHTLINER M2
VIN: 3ALACXDT2HDHR7354

RO: 0522-422571
Date In: 04/28/2022
Date Out: 04/30/2022

013 BRAKES		DVIR Number	Description	Part#	Quantity
Complaint:	DRIVER SIDE FIRST REAR DRIVE AXLE BRAKE PAD OR LINING DOES NOT MEET THE MINIMUM REQUIREMENTS		BRAKE SHOE KIT	TDAXK2124707QP	2.0
Cause:	BRAKES BELOW MIN		Core-BRAKE SHOE KIT	TDAXK2124707QP	2.0
Correction:	REPLACE DRIVE / TRAILER BRAKE LINING/SHOE WITH OUTBOARD DRUM (ONE AXLE)-BOTH		CoreCredit-TDAXK2124707QP	TDAXK2124707QP	2.0
Tech or Vendor:	[RIGO]				

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OPACITY TESTING PREVENTIVE MAINTENANCE

SERIES OP **8701429**
VEHICLE NUMBER

Code: <input checked="" type="checkbox"/> OK <input checked="" type="checkbox"/> Additional Work Required <input type="checkbox"/> Not Applicable	Schedule: (Type) OP-1 (Days) 365	ROM 0523-4973A Date 02-25-21 Current Odometer 210868
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I. Pre-Test Requirement		Code	InR	III. CONDUCT OPACITY TEST		TESTING RESULTS		
1. Calibrate smoke opacity test machine before <u>EACH</u> use. Use appropriate <u>gray</u> area on right of document.		✓	✓	19. Use the J-1667 Opacity Testing Procedure		Preliminary Clean Out Snaps		
2. Bring engine to operating temperature.		✓	✓	Vehicle and Condition Information		Test #	Peak %	
3. Check wheels, set parking brake and put transmission in park or neutral.		✓	✓	Test Date: 02-25-21	Time: 07:55:46	1	0.00	
4. Turn off engine brake and air conditioning.		✓	✓	Meter Mfg. RBD Mountain	Model: SMOKECHECK 1667	2	0.00	
5. Inspect for exhaust leaks.		✓	✓	S/N: 248970	Software Version: 4.97GD	3	0.00	
II. Visual Inspection		Code	InR			OFFICIAL OPACITY TESTS		
6. Inspect engine governor for proper operation.		✓	✓	Tested by: MARLO PLAMARTIS		Test #	Peak %	Corrected Peak %
7. Inspect all seats and covers protecting the air-fuel ratio adjustments for tampering.		✓	✓	Vehicle #: 8701420		1	0.06	0.00
8. Inspect all fuel injection pump seals or covers for leakage and / or tampering.		✓	✓	Year & Make: 2017 FREIGHTLINER		2	0.00	0.00
9. Inspect the air cleaner and flow restriction indicator for possible obstruction.		✓	✓	Vehicle Mileage: 210868		3	0.06	0.00
10. Inspect the Exhaust Gas Recirculation Valve (EGR) for proper operation and tampering.		✓	✓	Year of Engine: 2015		Results Corrected for Ambient Conditions		
11. Inspect the particulate matter trap system or catalytic converter system, including pipes and valves for leaks and tampering.		✓	✓	Engine Manufacturer: CLIMAX		Peak Opacity Difference:		0.00
12. Inspect all related hoses, connectors, brackets and hardware.		✓	✓	Stack Diameter: HP240		Difference within Specification:		
13. Inspect engine computer controls, related sensors and actuators.		✓	✓	Ambient Temp.: 55.3F		Test is (circle one):		Valid / Not Valid
14. Check to ensure Emission Control Labels (ECL) are in place.		✓	✓	Barometric Pressure: 30.23 inHg		3 test average opacity:		0.00
15. Inspect any other related components for a particular vehicle / engine as determined from the manufacturer's specification, emission control label, certification data or published vehicle parts manual.		✓	✓	Relative Humidity: 19.9%		Maximum Limit - Engines 1991 and Newer: 40%		
16. Attach testing machine print out to top of form (above, middle).		✓	✓	Visual Inspection Results.: OK / PASS		Zero-Drift Check (circle one)		Pass / Fail
17. File a copy in the unit jacket file. A copy <u>must</u> be filed in this file!		✓	✓	(See checklist on left)		Test Results (circle one)		Pass / Fail
18. Check for additional PM's to be performed depending on applicable equipment.		✓	✓	Testing System Calibrated.: Yes / No		Last Calibrated on: 02-25-21	Date:	Time: 07:52:31
19. Attach scanned copy of OP PM & Opacity Meter Test Results to the RO on the OP PM Job		✓	✓	Calibrated By: IN	Initials: IN	Calibration Filter: 4973A		

Use the J1667 opacity testing procedure from Maintenance Procedure 3-8 and / or 3-12 & 3-13 when performing these tests.

Inspection Performed By **MARLO PLAMARTIS** Date **2-24-21** Signature **[Signature]**

Technician CCDET # **21948** Expiration Date **05-26-20**

PLAMARTIS E066HT



Vehicle Work Summary for PODS ENTERPRISES LLC

Page 1 of 2

Unit #: 8701654
My Unit #: 8701654
Mileage: 185,532

Unit Type: SAD MEDIUM OTHER
Make: 2017 FREIGHTLINER M2
VIN: 3ALACXDT0HDHR7370

RO: 0522-420292
Date In: 03/10/2022
Date Out: 03/16/2022

Repairs Made:

019 PREVENTIVE MAINTENANCE		DVIR Number	Description	Part#	Quantity
Complaint:	SCHEDULED PM		FILTER	AF26427	1.0
Cause:	PREVENTIVE MAINTENANCE		FILTER, FUEL SPIN-ON	FF63054NN	1.0
Correction:	COMPLETE FED - TRUCK / TRACTOR, FEDERAL ANNUAL INSPECTION - FHWA				
Notes:	THIS PM INSPECTION STEPS COVERS D.O.T 396.17				
Tech or Vendor:	[FELIPE]				
043 EXHAUST SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	INSPECT THE UNIT FOR A CHECK ENGINE LIGHT ISSUE		KIT HARDWARE	4376837	1.0
Cause:	DEF CRYSTALIZED PLUGGED THE DOSER PORT,				
Correction:	REPAIR / CLEAN - DOSER VALVE NOZZLE - DIESEL EXHAUST FLUID (DEF)				
Notes:	(ADD FAULT CODES TO JOB NOTES):AFTER CLEARING OUT DEF CRSTALS FROM DOSER PORT, REPLACED GASKET KIT, AND RAN PARKED REGEN , PASSED, NO ENGINE LIGHT				
Tech or Vendor:	[DAN S]				
034 LIGHTING SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	BACK UP ALARM SYSTEM CONCERN				
Cause:	BROKEN WIRE				
Correction:	REPAIR WIRING HARNESS/WIRE CAB AND CHASSIS ONLY				
Notes:	FOUND POWER WIRE TO BACK UP ALARM BROKEN, I CUT, STRIPPED, AND PUT NEW TERMIAL ON WIRE CONNECTED ALARM AND WORKING NOW.				
Tech or Vendor:	[DAN S]				
034 LIGHTING SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	REVERSE LIGHTS ARE NOT WORKING PROPERLY				
Cause:	BROKEN WIRE				
Correction:	REPAIR WIRING HARNESS/WIRE CAB AND CHASSIS ONLY				
Tech or Vendor:	[DAN S]				

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Vehicle Work Summary for PODS ENTERPRISES LLC

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Unit #: 8701654
My Unit #: 8701654
Mileage: 185,532

Unit Type: SAD MEDIUM OTHER
Make: 2017 FREIGHTLINER M2
VIN: 3ALACXDT0HDHR7370

RO: 0522-420292
Date In: 03/10/2022
Date Out: 03/16/2022

043 EXHAUST SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	INSPECT UNIT FOR EMISSIONS, OPACITY / SMOKE.				
Cause:	REQUIRED TESTING AND INSPECTION				
Correction:	COMPLETE OP1 - OPACITY OR EMISSIONS TESTING (SMOG TEST)				
Notes:	CONDUCTED INSPECTION AND TESTED OF UNIT EMISSIONS FOR OPACITY / SMOKE.				
Tech or Vendor:	[RAFAEL]				

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Vehicle Work Summary for PODS ENTERPRISES LLC

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Unit #: 8701655
My Unit #: 8701655
Mileage: 185,807

Unit Type: SAD MEDIUM OTHER
Make: 2017 FREIGHTLINER M2
VIN: 3ALACXDT8HDHR7374

RO: 0522-423494
Date In: 03/21/2022
Date Out: 03/24/2022

Repairs Made:

043 EXHAUST SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	INSPECT UNIT FOR EMISSIONS, OPACITY / SMOKE.				
Cause:	REQUIRED TESTING AND INSPECTION				
Correction:	COMPLETE OP1 - OPACITY OR EMISSIONS TESTING (SMOG TEST)				
Notes:	CONDUCTED INSPECTION AND TESTED OF UNIT EMISSIONS FOR OPACITY / SMOKE.				
Tech or Vendor:	[RAFAEL]				
044 FUEL SYSTEM		DVIR Number	Description	Part#	Quantity
Complaint:	ADJUST ROAD SPEED DOWN TO 60 MPH				
Cause:	CUSTOMER REQUEST				
Correction:	ADJUST - ELECTRONIC CONTROL MODULE (ECM) - PARAMETERS				
Notes:	ACCESS THE ECM; ADJUST ECM PARAMETER ACCORDING TO REQUEST;				
Tech or Vendor:	[ALEX Z]				
013 BRAKES		DVIR Number	Description	Part#	Quantity
Complaint:	AIR LEAK WHEN CARRYING LOAD, ONLY BUILDS UP TO 80PSI				
Cause:	COULDNT DUPLICATE CONCERN				
Correction:	INSPECT BRAKES/BRAKES ARE WITHIN SPEC/NO REPAIRS MADE				
Notes:	INSPECT BRAKES FOR PROPER ADJUSTMENT AND OPERATION; NO PROBLEMS FOUND				
Tech or Vendor:	[ALEX Z]				

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COMPLETE OP1 - OPACITY OR EMISSIONS TESTING (SMOG TEST)

Page 1 of 1

Unit Number	Unit Type	Make	Current Odometer	Date
8701658	SAD MEDIUM OTHER	2017 FREIGHTLINER M2	196,978	01/17/2022
Customer Unit	VIN	Customer	RO Number	Inspection ID
8701658	3ALACXDT2HDHR7368	60952200-6524 PODS ENTERPRISES LLC	6524-351031	202201056924

Result	Status
<input checked="" type="checkbox"/> OK	RC - Repair completed
<input checked="" type="checkbox"/> Follow-up Needed	ND - No defect found after further review
<input checked="" type="checkbox"/> Inspected/Adjusted	CR - Customer Repaired/Replaced; Penske Verified
<input checked="" type="checkbox"/> N/A Not Applicable	

Note: Shaded steps indicates DOT required safety checks.

UNIT INSPECTION			
Inspect the condition/wear/operation of all items in the section below. Check fluid levels/condition as well as leaks where applicable. Perform test/record results as applicable. Grease all fittings and components as applicable.			
	Result	Reading	Inspector (Changed by)
Calibrate smoke opacity test machine before each use. Use appropriate grey area on right of document.	<input checked="" type="checkbox"/>		Matthew Barnett
Bring engine to operating temperature	<input checked="" type="checkbox"/>		Matthew Barnett
Chock wheels, set parking brake and put transmission in park or neutral	<input checked="" type="checkbox"/>		Matthew Barnett
Turn off engine and air conditioning	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect for exhaust leaks	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect engine governor for proper operation	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect all seals and covers protecting the air-fuel ratio adjustments for tampering	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect all fuel injection pump seals or covers for leakage and / or tampering	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect the air cleaner and flow restriction indicator for possible obstruction	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect the exhaust gas recirculation valve (EGR) for proper operation and tampering	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect the particulate matter trap system or catalytic converter system, including pipes and valves for leaks and tampering	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect all related hoses, connectors, brackets and hardware	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect engine computer controls, related sensors and actuators	<input checked="" type="checkbox"/>		Matthew Barnett
Check to ensure Emission Control Labels (ECL) are in place	<input checked="" type="checkbox"/>		Matthew Barnett
Inspect any other related components for a particular vehicle / engine as determined from the manufacture's specification, emission control label, certification data or published vehicle parts manual.	<input checked="" type="checkbox"/>		Matthew Barnett
File a copy in the unit jacket file. A copy must be filed in this file!	<input checked="" type="checkbox"/>		Matthew Barnett
Attach scanned copy of OP PM & Opacity Meter Test Results to the RO on the OP PM job	<input checked="" type="checkbox"/>		Matthew Barnett
Enter the technicians CCDET number	<input checked="" type="checkbox"/>		Matthew Barnett
The expiration date for CCDET number	<input checked="" type="checkbox"/>		Matthew Barnett

Electronic signature of persons certifying the inspection and all required repairs have been completed.

Inspection Approved by	SSO	Date	Additional Repairs Approved by	SSO	Date
Humberto Tamayo	600021058	01/18/2022	Humberto Tamayo	600021058	01/18/2022

2022 PODS Annual Compliance Report

Appendix B

PODS CARB Truck and Bus Regulation Compliance Certification



CALIFORNIA

AIR RESOURCES BOARD

Certificate of Reported Compliance Truck and Bus Regulation

Issued to:

Pods Enterprises, LLC

USDOT-1397252

12 Vehicles Reported

This certificate confirms that the fleet owner has attested under penalty of perjury that the statements and information they provided to the California Air Resources Board (CARB) are true, accurate, and complete regarding all relevant vehicles in the fleet required to show compliance. CARB hereby finds that the fleet listed above has reported compliance with title 13, California Code of Regulations, section 2025 (Truck and Bus Regulation). If CARB subsequently finds that the statements and information that have been provided are not true, accurate, and complete, this certificate shall be effectively revoked and the fleet subject to noncompliance penalties.

This certificate is valid until **December 31, 2022**

Printed on 2022-07-12

TRUCRS Fleet Identification
140391

Sydney Vergis
Division Chief, Mobile Source Control Division
California Air Resources Board

To verify the authenticity of this certificate, visit
www.arb.ca.gov/msprog/onrdiesel/tblookup.php

2022 PODS Annual Compliance Report

Appendix C

NDC CARB Truck and Bus Regulation Compliance Certification



CALIFORNIA
AIR RESOURCES BOARD

**Certificate of Reported Compliance
Truck and Bus Regulation**

Issued to:

National Distribution Centers LLC

USDOT-196019 CA-414304

85 Vehicles Reported

This certificate confirms that the fleet owner has attested under penalty of perjury that the statements and information they provided to the California Air Resources Board (CARB) are true, accurate, and complete regarding all relevant vehicles in the fleet required to show compliance. CARB hereby finds that the fleet listed above has reported compliance with title 13, California Code of Regulations, section 2025 (Truck and Bus Regulation). If CARB subsequently finds that the statements and information that have been provided are not true, accurate, and complete, this certificate shall be effectively revoked and the fleet subject to noncompliance penalties.

This certificate is valid until **December 31, 2022**

Sydney Vergis
Division Chief, Mobile Source Control Division
California Air Resources Board

Printed on 2022-01-12

**TRUCRS Fleet Identification
74125**

To verify the authenticity of this certificate, visit
www.arb.ca.gov/msprog/onrdiesel/tblookup.php

2022 PODS Annual Compliance Report

Appendix D

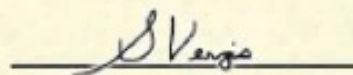
CARB In-Use Off-Road Diesel-Fueled Fleets Regulation Compliance Certification

California Environmental Protection Agency
Air Resources Board

March 1, 2022

**CERTIFICATE OF REPORTED COMPLIANCE
IN-USE OFF-ROAD DIESEL-FUELED FLEETS
REGULATION is issued to
PODS ENTERPRISES, LLC**

This certificate indicates that the fleet listed above has reported off-road diesel vehicles to the California Air Resources Board and has certified they are in compliance with title 13 CCR, section 2449. All applicable vehicles owned by the individual, company, or agency must be reported and labeled, as specified in Section 2449, with all possible completeness, else this certificate is null and void. **Certificate expires 2/28/2023**



Sydney Vergis
Chief, Mobile Source Control Division
California Air Resources Board

Off-road Diesel Fleet Identification

138073

To verify the authenticity of this certificate, enter this number at
http://www.arb.ca.gov/doors/compliance_cert1.html

Exhibit B

2022 ConGlobal Annual Compliance Report

Exhibit B - ConGlobal 2022 Annual Compliance Report

Updated March 17, 2023

Oakland Global Logistics Center – 11 Burma Rd, Oakland, CA
Site CC-1, New Central Gateway Parcel, and Site MH-1

This 2022 Annual Compliance Report (2022 Report) serves as the basis for demonstrating compliance with the applicable requirements contained in the 2012 Initial Study (IS)/Addendum for the Oakland Army Base (OAB) Project Standard Conditions of Approval/Mitigation Monitoring and Reporting Program (SCA/MMRP) for ConGlobal (tenant). This 2022 Report provides an overview of facility operations occurring in the annual compliance reporting period from July 2021 through June 2022.

ConGlobal leases the site from Prologis for use as a container storage depot where empty containers are stacked and stored on a short-term basis. ConGlobal also operates a repair facility which consists of an 8,650-square foot open maintenance building for paint touch up and minor repairs to the containers and has an outdoor container wash area adjacent to the maintenance building. Outdoors, and adjacent to the maintenance building, an area is used for repair, maintenance and temperature setting of empty refrigerated containers. Empty chassis, which are the trailers upon which containers are placed, are also stacked and stored on-site.

Per SCA/MMRP Mitigation PO-1, the Air Quality Plan for Operations of the ConGlobal Container Depot and Repair Facility (Plan) was developed through a public process and approved by the City of Oakland (City) in 2018. The Plan demonstrates how the tenant will implement clean air measures at the Oakland site to fulfil the SCA/MMRP requirements. The Plan contains the following components, with the SCA/MMRP Mitigation Measure (MM) that each element addresses shown in parenthesis:

- 4.1) Truck and Equipment Diesel Emission Reduction (MM 4.4-4)
- 4.2) Encourage, Lobby, and Participate in Emission Reduction Demonstration Projects (MM 5.4-1)
- 4.3) Technology Review Program (MM 4.4-4)
- 4.4) Sustainable Design and Construction (SCA TRANS-1, MM 4.4-6)
- 4.5) Transportation Control Measures and Parking/Transportation Demand Management (SCA TRANS-1, MM 4.4-5)
- 4.6) Quantification of Diesel Emissions (MM 4.4-4)

The table below summarizes the required elements that were included in the Plan, the method of compliance, and the required dates of compliance for each element.

Table 1: ConGlobal Air Quality Plan Elements Implementation Summary

ID	Description of Plan Element	Compliance Method/Description	Required Date of Compliance
4.1 Truck /Equipment Diesel Emission Reduction			
4.1.1 –Trucks		[provide proof that truck or truck fleet compliance certificates were checked by ConGlobal for all trucks delivering and removing containers from this site]	Continuous

ID	Description of Plan Element	Compliance Method/Description	Required Date of Compliance
4.1.2-	Trucks with TRU's	N.A.	N.A.
4.1.3 –	Idling Rules for trucks	[provide idling policy signage]	Prior to occupancy
4.1.4 –	Delivery / Pick up Management	[Conglobal is responsible for implementing 2-minute idle policy]	Continuous
4.1.5 –	Compliance with Truck Routes and Truck Management Plan	Provide information to truck drivers who serve this facility	Continuous
4.1.6 –	CARB Compliance	[provide fleet info]	Continuous
4.1.7 –	Off Road Equipment	[provide off-road equipment fleet info; participate in CARB DOORS program]	Prior to occupancy and upon audit.
4.1.8 –	Idling Rules for off-road equipment	[provide idling policy signage]	Prior to occupancy
4.2 Demonstration Projects			
4.2-4 –	Demo Projects Participation	[provide any demonstration projects]	On-going with documentation upon audit
4.3 Technology Review			
4.3.1-3 –	Technology Review Program	[provide technology review every three years]	Every three years continuously
4.4 Sustainable Design			
4.4.1 –	Title 24 Compliance	Approved with building permit.	With building permit
4.4.2 –	Renewable Energy	Approved with building permit.	With building permit
4.5 Transportation Control Measures			
4.5.1 –	Transp. Control measures	Approved with building permit.	Prior to issuance of the permanent certificate of occupancy
4.5.2 –	Fund Fair Share Programs	Paid by Prologis in Full.	Prior to issuance of the permanent certificate of occupancy or upon finalization of Fair Share program by the City
4.5.3 –	Parking/TDM Program	[provide a plan to reduce employee single-driver traffic]	Prior to issuance of permanent certificate of occupancy, if applicable.

ID	Description of Plan Element	Compliance Method/Description	Required Date of Compliance
4.6 Quantifications of Diesel Emissions			
	4.6.1: Quantification of emissions	[N/A]	N/A

This report provides proof of compliance for measures that are required to be implemented on an ongoing/continuous basis or where compliance is required to be demonstrated upon audit. Measures where proof of compliance was required to be verified during the building permit application or prior to occupancy have already been reviewed and verified by the City, as required as a part of the permitting process. Numbering in the following sections corresponds to the numbering conventions used in the Plan, as outlined in the table above.

4.1 Truck and Equipment Diesel Emission Reduction

4.1.1 Trucks – All trucks delivering or picking up containers at this site will meet the Drayage Truck Rule adopted by the California Air Resources Board (CARB). See California Air Resource Board’s Drayage Truck Regulation for more details, including truck engine year requirements and truck registry requirements.

Each truck accessing the site is verified to be compliant by searching the arb.ca.gov website. With the truck engine turned off and not idling, the driver goes through a 5-minute check-in process at the administrative office where he /she is assigned a specific location on-site to drop off or receive their container load. CARB certification is verified by accessing the CARB database or the STEP sticker program to determine the vehicle meets the current Port Drayage Standards. Trucks are turned away if the database search determines the truck is not certified with CARB or does not meet the Drayage standards of the Port.

4.1.2 Transport refrigeration units (TRUs)

As described in Section 4.1.1 of the Plan, the only TRUs at this site arrive and are stored empty. Minor repairs to the TRUs will occur on site and the TRU’s are plugged into on-site electricity during the repair process, if needed. No changes have occurred to this operational description in the reporting period.

4.1.4 Management of Container Delivery and Pick-up - To ensure that truck idling times do not exceed two minutes when the trucks are on site, ConGlobal shall be responsible to manage ConGlobal operations to ensure compliance with the two-minute idling requirement.

All trucks are prohibited from idling more than two minutes when loading, unloading, staging, or when not in active use for extended periods of time. Signage is posted at the entrance to the site (Figure 1), and at numerous locations throughout the site.

Figure 1: Example of “No Idling” Signage Posted at Site (June 2022)



4.1.5 Compliance with Truck Routes and with the West Oakland Truck Management Plan – All trucks serving the ConGlobal Container Depot and Repair Facility are required to use designated truck routes to arrive and depart from this facility and throughout circulation in the city of Oakland. Additionally, such 8 trucks shall comply with the West Oakland Truck Management Plan, upon its approval, or with other City-approved truck regulations in effect at the time of operation of the truck serving this tenancy.

ConGlobal staff are trained on this requirement, and staff notify drivers about the truck route requirements. Maps of truck routes and prohibited streets are posted at the administrative office, where each driver checks in upon site entry, and copies are available to drivers. Please see the figures below for documentation of compliance with this measure.

Figure 2: City of Oakland Truck Routes and Prohibited Streets

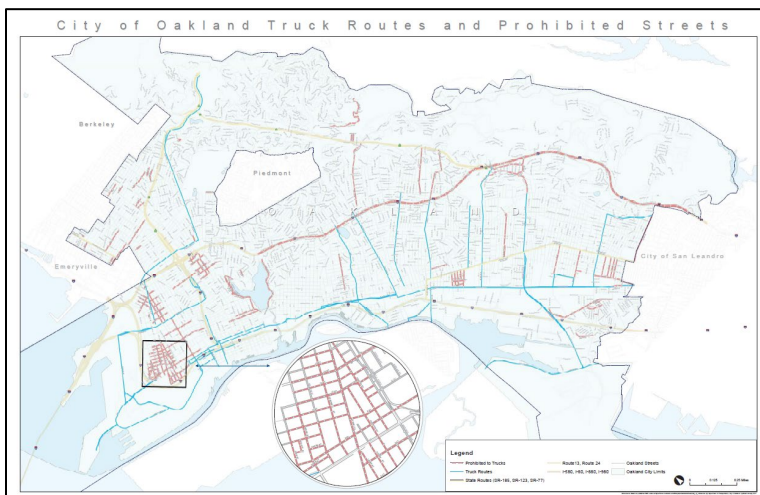


Figure 3: Posted Truck Routes at ConGlobal Site (June 2022)



4.1.6 Compliance with applicable air quality regulations for medium and heavy duty-diesel trucks is required including, but not limited to, the CARB Drayage Rule, the CARB Tractor-Trailer Greenhouse Gas Reduction Regulation, and the Periodic Smoke Inspection Program.

All trucks entering the ConGlobal site have provided proof of compliance with all applicable CARB regulations including, but not limited to, certificates of compliance and copies of annual smoke test results. ConGlobal has confirmed with CARB database or the STEP sticker program that the individual trucks meet all applicable CARB regulations and the Drayage Truck Regulation, as applicable.

4.1.7 Off-Road Equipment: Off-road equipment over 25 horsepower, including but not limited to yard equipment, exterior forklifts, cargo handling, yard hostler/truck and side picks shall be near-zero or zero emission equipment. This includes Tier 4i or Tier 4 diesel equipment (or equivalent if Tier system is not applicable to a particular piece of equipment); such equipment can also be electric, propane, bio-diesel, unleaded gasoline and alternative-fueled equipment.

ConGlobal is encouraged to use electric or alternative-fueled off-road equipment and to participate in pilot programs, grant funding and vouchers from the BAAQMD for electric and alternative fuel trucks, yard hostlers and off-road equipment. All off-road equipment shall be properly serviced and maintained throughout the life of the equipment. Compliance with all applicable CARB regulations for off-road diesel equipment used at this site is required, including but not limited to the Diesel Off-Road Online Reporting System (DOORS) and the Equipment Identification Number (EIN).

An equipment list is provided below for all diesel-powered off-road equipment currently in-use at the site. In addition to this equipment, ConGlobal has secured, as of October 2018, an electric yard hostler for use at this site (figure below).

Table 2: 2022 ConGlobal Off-Road Equipment Fleet

Vehicle Serial Number	Vehicle Type	Make (Model)	Model Year	Engine Make (Model)	Engine Year
46868069	Forklift	Taylor (TEX-300 M)	2007	Cummins (QSB6.7)	2008
73148712	Forklift	Taylor (TEC-155H)	2010	Cummins (QSB6.7)	2010
73133731	Forklift	Taylor (TX300)	2010	Cummins (QSB6.7)	2010
46918524	Forklift	Taylor (TEC SP 155HD)	2008	Cummins (QSB6.7)	2008
22114212	Container Handler	Hyster (H450 ECS)	2014	Cummins (QSB6.7)	2013
22108837	Container Handler	Hyster (H450 ECS)	2014	Cummins (QSB6.7)	2013
22130457	Container Handler	Hyster (H450 ECS)	2014	Cummins (QSB6.7)	2013
73964230	Yard truck	Capacity (Sabre)	2016	Cummins (ISB6.7)	2016
22184160	Forklift	Hyster (H280 ED)	2016	Cummins (QSB4.5f)	2015
22206258	Container Handler	Hyster (H450HD-EC)	2016	Cummins (QSB6.7)	2016
74149965	Container Handler	Taylor (XEC206/7)	2017	Cummins (QSB6.7)	2017

Figure 4: Electric Yard Hostler On-Site



4.2 Participation in Emissions Reduction Demonstration Projects

Per Section 4.2, ConGlobal shall evaluate and participate, as feasible, in emission reduction demonstration projects that promote technological advances in improving air quality. Examples of some demonstration projects include but are not limited to: hybrid or electric yard hostlers and fork lifts, biodiesel powered yard equipment, CNG/LNG technology implementation, energy generation via mechanical systems using truck weight to generate electricity. ConGlobal is encouraged to utilize innovative and cleaner technology/equipment from operations in other ConGlobal locations. ConGlobal will provide contact information to CARB and BAAQMD for receipt of information regarding grants, vouchers and other funding opportunities for demonstration opportunities. ConGlobal will report on the demonstration projects they have considered per the Technology Review Program.

ConGlobal is aware of the above requirements and will review any opportunity that is presented as well as pursue opportunities to reduce emissions. As of 2022, ConGlobal has provided contact information to the BAAQMD, office of grants and incentives (grants@baaqmd.gov) for receipt of information regarding grants, vouchers, and other funding opportunities for demonstration opportunities. Please see Section 4.3, below, for information regarding the Technology Review Program.

4.3 Technology Review Program

Per Section 4.3, ConGlobal shall use cleaner technology over time as it becomes more readily available, practical and economically feasible. To accomplish this, ConGlobal shall review new technology every three years and with equipment turnover (prior to acquisition of, or lease of) additional or replacement off-road equipment to see if zero or near-zero equipment is economically feasible and practical. ConGlobal shall investigate and make part of such analysis, any grant, voucher or other type of program that would help offset cost and/or otherwise make such equipment available, practical and economically feasible. ConGlobal shall submit such technology review to the City. If the technology review demonstrates that new technology/equipment will be effective in substantially reducing emissions, is available, practical and economically feasible as determined by ConGlobal, then ConGlobal shall implement such technology within 12 months.

In compliance with the requirements of Section 4.3, a Technology Review will be required to be completed for the ConGlobal facility and submitted to the City of Oakland in 2022. If the results of the Technology Review demonstrates that new technology/equipment will be effective in substantially reducing emissions, is available, practical and economically feasible as determined by ConGlobal, then ConGlobal shall implement such technology within 12 months, as required.

4.5 Parking and Transportation Demand Management

4.5.3 ConGlobal shall prepare and implement a Parking and Transportation Demand Management Plan per SCA TRANS-1, consistent with the number of onsite employees, with the goal of reducing drive-alone commute trips during the peak traffic periods.

To support continued compliance for this measure, in 2022, there are nine staff in total currently employed at the site.

Exhibit C

2022 Good Eggs Annual Compliance Report

Exhibit C - 2022 Good Eggs Annual Compliance Report

Updated March 17, 2023

Oakland Global Logistics Center – 2000 Maritime Street, Oakland, CA
Site CE-2, Southeast Gateway Parcel

This 2022 Annual Compliance Report (2022 Report) serves as the basis for demonstrating compliance with the applicable requirements contained in the 2012 Initial Study (IS)/Addendum for the Oakland Army Base (OAB) Project Standard Conditions of Approval/Mitigation Monitoring and Reporting Program (SCA/MMRP) for Good Eggs (tenant). This 2022 Report provides an overview of facility operations occurring in the annual compliance reporting period from July 2021 through June 2022.

Prologis leases a 116,246 square foot portion of the warehouse building known as CE-2 to the tenant, an online grocery and meal kit delivery service that provides fresh local produce, meal kits, grocery staples and beer, wine and spirits. Groceries and meal kits are provided as a same day delivery service. Produce and packaging material are delivered to the facility by local and regional companies using gasoline powered box trucks, vans, cars and some diesel semi-trucks. Electrical outlets at the refrigerated portion of the warehouse provide power to run refrigerated trucks while unloading (rather than running their engines). Staff at the tenant operation utilize manually powered or zero-emissions electric carts for unloading and moving produce and associated material.

Per SCA/MMRP Mitigation PO-1, the Air Quality Plan for Operations of the Good Eggs Fulfillment Center (Plan) was developed through a public process and approved by the City of Oakland in 2019. The Plan demonstrates how the tenant will implement clean air measures at the Oakland site to fulfil the SCA/MMRP requirements. The Plan contains the following components, with the SCA/MMRP Mitigation Measure (MM) that each element addresses shown in parenthesis:

- 4.1) Truck and Equipment Diesel Emission Reduction (MM 4.4-4)
- 4.2) Encourage, Lobby, and Participate in Emission Reduction Demonstration Projects (MM 5.4-1)
- 4.3) Technology Review Program (MM 4.4-4)
- 4.4) Sustainable Design and Construction (MM 4.4-6)
- 4.5) Transportation Control Measures and Parking/Transportation Demand Management (SCA TRANS-1, MM 4.4-5)
- 4.6) Quantification of Diesel Emissions (MM 4.4-4)

The table below summarizes the required elements that were included in the Plan, and the required dates of compliance for each element.

Table 1: Good Eggs Air Quality Plan Elements Implementation Summary

ID	Description of Plan Element	Compliance Method/Description	Required Date of Compliance
4.1 T/E Diesel Emission Reduction			
4.1.1 - On Road Trucks		[provide truck fleet compliance certificate]	Prior to occupancy and upon audit.
4.1.2 - Drayage Trucks		[provide truck or truck fleet compliance certificate]	If operations change such that drayage trucks are used; upon audit.

ID	Description of Plan Element	Compliance Method/Description	Required Date of Compliance
4.1.4	Idling Rules	[provide idling policy signage]	Prior to occupancy
4.1.5	Dock Management	[provide a plan to monitor truck deliveries and potential queuing]	Prior to occupancy
4.1.7	CARB Compliance	[provide fleet info]	Continuous; upon audit.
4.1.8	Off Road Equipment	[provide off-road equipment fleet info; participate in CARB DOORS program]	Prior to occupancy and upon audit.
4.2 Sustainable TI Design			
4.2.1	LEED Gold Compliance	[reference plan sheets or submittals where LEED Addenda items are shown]	Prior to occupancy
4.2.2	Title 24 Compliance	[provide statement on sheet indicating T24 compliance]	Prior to issuance of building permit for TI
4.2.3	Renewable Energy	[describe solar PV or other onsite renewable energy system – KW generation]	If proposed, prior to occupancy or per Technology Review
4.3 Transportation Control Measures			
4.3.1	Fund Fair Share Program	[City assessed fair share]	Paid by Prologis in full.
4.3.2	Parking / TDM Program	[provide a plan to reduce employee single-driver traffic]	Prior to occupancy.
4.4 Demonstration Projects			
4.4.1	Demo Project Participation	[provide any demonstration projects]	Continuous
4.5 Technology Review			
4.5.1	Technology Review Program	[provide periodic updates over time]	Continuous
4.6	Quantification of NOx emissions if cumulative threshold exceeded, Tenants and City will meet and discuss other feasible reduction measures to be implemented within an agreed upon time frame.		As needed

This report provides proof of compliance for measures that are required to be implemented on an ongoing/continuous basis or where compliance is required to be demonstrated upon audit. Measures where proof of compliance was required to be verified during the building permit application or prior to occupancy have already been reviewed and verified by the City, as required as a part of the permitting process. Numbering in the following sections corresponds to the numbering conventions used in the Plan, as outlined in the table above.

4.1 Truck and Equipment Diesel Emission Reduction

4.1.1 On-Road Trucks - All diesel trucks with a gross vehicle weight rating over 14,000 pounds entering the site of this warehouse must comply with the Truck and Bus Regulation of CARB which is in effect at the time of operation of the truck(s).

Good Eggs currently uses two diesel reefer trucks at the site, leased from Enterprise and Ryder. Both trucks are registered with the California Air Resources Board (CARB) and compliant with CARB regulations. The current Good Eggs fleet is listed below:

Table 1: On-Road Vehicles in Good Eggs Fleet at Oakland Global Logistics Center (2022)

Vehicle Number	Vehicle Type	Lease Company	CARB #	Fuel Type
1	Reefer Truck	Ryder	186193939	Diesel
2	Reefer Truck	Enterprise	690T10236DSH	Diesel

Additionally, outside vendors are contracted to provide deliveries to the Good Eggs site. The trucks utilized by these vendors are certified as being compliant with the Truck and Bus Regulation. A list of vendors and associated CARB certifications will be provided upon request.

- 4.1.2 Drayage Trucks - Should Good Eggs receive cargo from the maritime terminals, an intermodal rail yard, or property of the Port of Oakland, the trucks doing so must comply with the Drayage Truck Regulation (DTR) of the California Air Resources Board (CARB) which is in effect at the time of operation of the truck(s). See California Air Resource Board's Drayage Truck Regulation for more details, including truck engine year requirements and truck registry requirements.**

Good Eggs did not utilize drayage trucks as part of its operations during the reporting period and does not plan to receive cargo from drayage trucks in the future. Good Eggs is aware of this requirement and will ensure compliance if drayage trucks are utilized for deliveries in future.

- 4.1.7 CARB Compliance for Trucks - Compliance with applicable air quality regulations for commercial trucks and vans are required including, but not limited to, the CARB Tractor-Trailer Greenhouse Gas Reduction Regulation, Periodic Smoke Inspection Program, Statewide Truck and Bus Regulation or Drayage Regulation. All truck fleets owned by Good Eggs, or under contract with Good Eggs to provide delivery services to/from this warehouse, shall provide proof of compliance through CARB certificates of compliance or copies of annual smoke test results.**

Good Eggs currently uses two diesel reefer trucks at the site, leased from Enterprise and Ryder. Both trucks are registered with the CARB and compliant with CARB regulations (see Table 2). Contracted delivery trucks are also verified to be compliant with CARB regulations.

- 4.1.8 Off-Road Equipment – Outdoor off-road equipment over 25 horsepower, including but not limited to yard equipment, exterior forklifts and pallet jacks, shall be zero and near-zero emission equipment. This includes Tier 4i or Tier 4 diesel equipment (or equivalent if Tier system is not applicable to a particular piece of equipment). Such equipment can also be electric, propane, bio-diesel, and alternative-fueled equipment. Indoor off-road equipment**

including but not limited to interior forklifts, scissor lifts, pallet jacks and "order pickers" shall be electric, propane or alternative-fueled equipment.

Good Eggs shall submit an equipment list of all off-road equipment to be used both indoors and outdoors to demonstrate that zero and near-zero emission (including Tier 4 or 4i diesel equipment or equivalent) equipment, or electric, propane, bio-diesel or alternative-fueled equipment will be used during operations. All off-road equipment shall be properly serviced and maintained throughout the life of the equipment. Compliance with all applicable CARB regulations for off-road diesel equipment used at this site is required, including but not limited to the Diesel Off-Road Online Reporting System {DOORS} and the Equipment Identification Number {EIN}.

Good Eggs utilizes zero-emission, electric off-road equipment at the OAB site and does not have diesel off-road equipment as part of the operation.

4.2 Participation in Emissions Reduction Demonstration Projects

Per 4.2, Participation in Emissions Reduction Demonstration Projects, Good Eggs shall evaluate emission reduction demonstration projects that promote technological advances in improving air quality. Examples of some demonstration projects include but not limited to: CNG/LNG trucks energy generation via alternative systems electricity. Good Eggs is encouraged to utilize innovative and cleaner technology/equipment from operations in other Good Eggs locations. Good Eggs will provide contact information to the BAAQMD for receipt of information regarding grants, vouchers and other funding opportunities for demonstration opportunities. Good Eggs will report on demonstration projects considered per the Technology Review Program below.

Good Eggs is aware of this requirement and will review any opportunity that is presented as well as pursue opportunities to reduce emissions. As of 2022, Good Eggs has provided contact information to the BAAQMD, office of grants and incentives (grants@baaqmd.gov) for receipt of information regarding grants, vouchers, and other funding opportunities for demonstration opportunities. Please see Section 4.3, below, for information regarding the Technology Review Program.

4.3 Technology Review Program

Per 4.3, Technology Review Program, Good Eggs shall use cleaner technology over time as it becomes more readily available, practical and economically feasible. To accomplish this, Good Eggs shall review new technology every three years and with equipment turnover (prior to acquisition of, or lease of) additional or replacement of Good Eggs fleet trucks or on-site equipment to see if zero or near-zero equipment is economically feasible and practical.

Good Eggs shall investigate and make part of such analysis, any grant, voucher or other type of program that would help offset cost and/ or otherwise make such equipment available, practical and economically feasible. Good Eggs shall submit such technology review to the City upon request.

If the technology review demonstrates that new technology/equipment will be effective in substantially reducing emissions, is available, practical and economically feasible as determined by Good Eggs, then Good Eggs shall implement such technology within 12 months.

In compliance with the requirements of Section 4.3, a Technology Review will be required to be completed for the Good Eggs Facility and submitted to the City of Oakland in 2023. If the results of the technology review demonstrates that new technology/equipment will be effective in substantially reducing emissions, is available, practical and economically feasible as determined by Good Eggs, then Good Eggs shall implement such technology within 12 months, as required.

4.4 Renewable Energy and Infrastructure for Charging Electric Trucks and Off-Road Equipment

Per 4.4, Renewable Energy and Infrastructure for charging Electric Trucks and Off-Road Equipment:

- a) **The City encourages use of a renewable energy system or combination of systems (solar/wind/mechanical/tidal/hydrogen) designed to offset 20% of building's annual electrical consumption. Good Eggs and Prologis are currently working on providing solar panels to offset electricity demand with the plan to install once the exact refrigeration and electrical loads are determined.**
- b) **Rooftop solar photovoltaic (PV) power is preferred and is in the planning stages.**
- c) **The shell building roof structure of the warehouse building has been designed to support solar panel load.**
- d) **The electrical room has been sized for additional future solar PV infrastructure.**

Per Section 4.4, solar roof panels were installed on-site and power a 650 KW DC rooftop photovoltaic (PV) system of clean electricity over Good Eggs' leased space. The system is designed to annually abate 411,776 lbs. or 187 metric tons of CO₂e (Carbon Dioxide equivalent) greenhouse gas emissions.

4.5 Parking and Transportation Demand Management

As detailed in MM 4.5.2, Parking and Transportation Demand Management, Good Eggs shall prepare and implement a Parking and Transportation Demand Management (TDM) Plan per SCA TRANS-1, consistent with the number of onsite employees, with the goal of reducing drive-alone commute trips during the peak traffic periods.

To support compliance reporting for this measure, the following information is provided:

- Total number of employees at warehouse: 350; 78 drivers
- Number of shifts: 3
- Timing of shifts: Shift 1A 5:10am/ 1B 9:00am / Shift 2 - 12:30pm / Shift 3 - 4:30pm
- Number of EV chargers provided at the warehouse: 2

The prepared Good Eggs TDM Plan, dated April 30, 2020, includes operational strategies that discourage the use of drive-alone automobiles, reduce project parking demand, and encourage the use of non-automobile modes. Additionally, the TDM Plan includes additional strategies to further increase pedestrian, bicycle, transit and carpool/vanpool use. Good Eggs operates three shifts per day, schedules at hours that do not add to peak-traffic congestion in the area. Additionally, Good Eggs offers transit to employees to and from the local BART stations at the start and end of each shift to reduce employee traffic and parking (Figure 1, Figure 2).

As described by Good Eggs, there are typically 20-26 employees per week that utilize the shuttle service from the local BART station during weekdays, and 10 employees that use the shuttle service on weekends. 6 employees regularly bike to work, and 4 employees ride scooters. There is 24-hour security on-site. Secure bicycle parking is provided on site, as illustrated in Figure 3 and Figure 4 below. There is

also designated bicycle pathways and pedestrian pathways accessing the site, as illustrated in Figure 5. The CE-2 Warehouse site includes seven preferential parking spaces for EV/Carpool and vanpool vehicles to the northwest (NW) of the main entrance of the warehouse, with stalls marked as “Preferred Parking for Low-Emitting and Fuel-Efficient Vehicles” or designated for EV Charging, with two EV charging ports provided (Figure 6). On-site shower and changing room facilities are provided.

Figure 1: Good Eggs-Provided Employee Shuttle Bus



Figure 2: Posted Schedule for Good Eggs-Provided Employee Shuttle Bus



DROP OFF TIME	LOCATION	DROP OFF TIME	LOCATION
7:55AM	West Oakland BART	8:05AM	Maritime
8:05AM	Maritime	8:15AM	West Oakland BART
8:15AM	West Oakland BART	8:25AM	Maritime
8:25AM	Maritime	8:35AM	West Oakland BART
3:10PM	Maritime	3:20PM	West Oakland BART
3:30PM	West Oakland BART	3:40PM	Maritime
5:10PM	Maritime	5:20PM	West Oakland BART
5:30PM	Maritime	5:40PM	West Oakland BART

BART provides service Monday-Friday from 8am-9pm
Saturday and Sunday Service is between 8am-9pm

Figure 3: Long-term Bicycle/Scooter Lockers at Good Eggs Facility



Figure 4: Short-term Bicycle/Scooter Parking at Good Eggs Facility



Figure 5: Aerial of Preferential Parking Spaces and Bike Lane Access On-Site



Figure 6: Preferential Parking Spaces for Low-Emitting and Fuel-Efficient Vehicles, and 2 EV Charging Ports Provided On-site (June 2022)



Exhibit D

Prologis Insurance Certificate



EVIDENCE OF COMMERCIAL PROPERTY INSURANCE

DATE (MM/DD/YYYY)
07/18/2022

THIS EVIDENCE OF COMMERCIAL PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

PRODUCER NAME, CONTACT PERSON AND ADDRESS Marsh Risk & Insurance Services Four Embarcadero Center, Suite 1100 San Francisco, CA 94111 CN102740478-STND-PROP-21-22		PHONE (A/C, No, Ext): 617-385-0222	COMPANY NAME AND ADDRESS Zurich American Insurance Company	NAIC NO: 16535
FAX (A/C, No): 617-385-0344	E-MAIL ADDRESS: michelle.a.burns@marsh.com		IF MULTIPLE COMPANIES, COMPLETE SEPARATE FORM FOR EACH	
CODE: AGENCY CUSTOMER ID #:	SUB CODE:		POLICY TYPE All Risk Property	
NAMED INSURED AND ADDRESS Prologis, Inc. Pier 1, Bay 1 San Francisco, CA 94111		LOAN NUMBER		POLICY NUMBER PPR5914632-14
ADDITIONAL NAMED INSURED(S)		EFFECTIVE DATE 12/15/2021	EXPIRATION DATE 12/15/2022	<input type="checkbox"/> CONTINUED UNTIL TERMINATED IF CHECKED
		THIS REPLACES PRIOR EVIDENCE DATED:		

PROPERTY INFORMATION (ACORD 101 may be attached if more space is required) ☒ BUILDING OR ☒ BUSINESS PERSONAL PROPERTY

LOCATION/DESCRIPTION
 RE: EBA05601 Oakland Global 1; EBA05602 Oakland Global 2.
 Named Insured Includes: Prologis, L.P.; Prologis Mesquite, LLC

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION		PERILS INSURED	BASIC	BROAD	X	SPECIAL
COMMERCIAL PROPERTY COVERAGE AMOUNT OF INSURANCE: \$ 254,990,000		DED: 10,000				
		YES	NO	N/A		
<input checked="" type="checkbox"/> BUSINESS INCOME	<input checked="" type="checkbox"/> RENTAL VALUE	X			If YES, LIMIT: 254,990,000	X Actual Loss Sustained; # of months: 12
BLANKET COVERAGE		X			If YES, indicate value(s) reported on property identified above: \$ 254,990,000	
TERRORISM COVERAGE		X			Attach Disclosure Notice / DEC	
IS THERE A TERRORISM-SPECIFIC EXCLUSION?			X			
IS DOMESTIC TERRORISM EXCLUDED?			X			
LIMITED FUNGUS COVERAGE		X			If YES, LIMIT:	DED:
FUNGUS EXCLUSION (If "YES", specify organization's form used)		X				
REPLACEMENT COST		X				
AGREED VALUE				X		
COINSURANCE			X		If YES, %	
EQUIPMENT BREAKDOWN (If Applicable)		X			If YES, LIMIT: Included	DED: 10,000
ORDINANCE OR LAW - Coverage for loss to undamaged portion of bldg		X			If YES, LIMIT: 100,000,000	DED: 10,000
- Demolition Costs		X			If YES, LIMIT: 100,000,000	DED: 10,000
- Incr. Cost of Construction		X			If YES, LIMIT: 100,000,000	DED: 10,000
EARTH MOVEMENT (If Applicable)		X			If YES, LIMIT: 100,000,000	DED: See Attached
FLOOD (If Applicable)		X			If YES, LIMIT: 150,000,000	DED: See Attached
WIND / HAIL INCL <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO Subject to Different Provisions:			X		If YES, LIMIT: Included	DED:
NAMED STORM INCL <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO Subject to Different Provisions:		X			If YES, LIMIT: See Attached	DED: See Attached
PERMISSION TO WAIVE SUBROGATION IN FAVOR OF MORTGAGE HOLDER PRIOR TO LOSS		X				

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST SEA-003636774-09		CONTRACT OF SALE		LENDER'S LOSS PAYABLE	LOSS PAYEE	LENDER SERVICING AGENT NAME AND ADDRESS
MORTGAGEE						
NAME AND ADDRESS City of Oakland Attn: Project Manager OAB 1 Frank H. Ogawa Plaza, 3rd Floor Oakland, CA 94612				AUTHORIZED REPRESENTATIVE <i>Marsh Risk & Insurance Services</i>		

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ADDITIONAL REMARKS SCHEDULE

Page 2 of 2

AGENCY Marsh Risk & Insurance Services		NAMED INSURED Prologis, Inc. Pier 1, Bay 1 San Francisco, CA 94111
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: 28 **FORM TITLE:** Evidence of Commercial Property Insurance

Terrorism Coverage provided by:

Insurer: Chubb European Group SE

Policy Number: BOWTN2150728

Effective Dates: 12/15/2021 - 12/15/2022

Limits: \$100,000,000 any one occurrence

Deductible: \$100,000 any one occurrence in respect property damage and business interruption combined

"All Risk" Property, including Boiler and Machinery, Flood and Earthquake. Named Storm limit for Zone 1 Wind areas only is \$75,000,000; Named Storm limit for Zone 2 areas only is \$100,000,000; all other subject to policy limit.

(Flood and Earthquake coverage is subject to annual aggregate limits)

Time Element Limitations:

365 Days - Extended Period of Indemnity

36 Months - Loss of Profits Indemnity Period for Locations Outside of the United States of America

Deductibles

\$10,000 combined Property Damage and Time Element, except:

Earthquake: 5% of the value per unit of insurance for which the insured is making a claim against this policy, subject to a minimum deductible of \$5,000,000 and a maximum deductible of \$20,000,000 as respects locations in Zone 1 as defined by the policy;

3% of the value per unit of insurance for which the insured is making a claim against this policy, subject to a minimum deductible of \$5,000,000 and a maximum deductible of \$10,000,000 as respects locations in the Pacific Northwest and New Madrid Zones and the state of Nevada

Flood: As respects locations with any part of the legal description within a Special Flood Hazard Area: Property Damage - 5% of the value per Unit of Insurance for which the insured is making a claim under this policy for the location where the direct physical loss or damage occurred, per location; subject to a minimum deductible of \$5,000,000 and a maximum deductible of \$10,000,000 per occurrence as respects all locations and all coverages involved in the claim for locations located within the United States of America.

Named Storm: 5% of the value per unit of insurance for which the insured is making a claim against this policy, subject to a minimum deductible of \$5,000,000 and a maximum deductible of \$10,000,000, as respects locations within the state of Florida and Harris County, Texas, or foreign locations located in Zone 1 as defined by the policy;

3% of the value per unit of insurance for which the insured is making a claim against this policy, subject to a minimum deductible of \$5,000,000 and a maximum deductible of \$7,500,000 as respects all other locations within Zone 1 and Zone 2 as respects all locations and all coverages involved in the claim.

Other policy limits and deductibles may apply.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/18/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Marsh Risk & Insurance Services Four Embarcadero Center, Suite 1100 San Francisco, CA 94111	CONTACT NAME: Michelle Burns	FAX (A/C, No): 617-385-0344	
	PHONE (A/C, No, Ext): 617-385-0222	E-MAIL ADDRESS: michelle.a.burns@marsh.com	
INSURED Prologis, Inc. Pier 1, Bay 1 San Francisco, CA 94111	INSURER(S) AFFORDING COVERAGE		NAIC #
	INSURER A : ACE American Insurance Company		22667
	INSURER B :		
	INSURER C : ACE Property And Casualty Ins Co		20699
	INSURER D :		
INSURER E :			
INSURER F :			

COVERAGES **CERTIFICATE NUMBER:** SEA-003561119-17 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER:			HDO G27631356	06/30/2022	06/30/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 2,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 AGGREGATE LIMIT \$ 25,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY			ISA H08869194	06/30/2022	06/30/2023	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ PHYSICAL DAMAGE \$ 3,000
C	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input checked="" type="checkbox"/> RETENTION \$ 25,000			XOO G71531387 004	06/30/2022	06/30/2023	EACH OCCURRENCE \$ 25,000,000 AGGREGATE \$ 25,000,000 \$
A A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	N/A	WLR C68931605 (AOS) SCF C68931617 (FL, OR, WI)	06/30/2022 06/30/2022	06/30/2023 06/30/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
See Page 2

CERTIFICATE HOLDER

City of Oakland
City Hall
Attn: Project Manager Oakland Army Base
1 Frank H. Ogawa Plaza, 3rd Floor
Oakland, CA 94612

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Marsh Risk & Insurance Services

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**ADDITIONAL REMARKS SCHEDULE**Page 2 of 2

AGENCY Marsh Risk & Insurance Services		NAMED INSURED Prologis, Inc. Pier 1, Bay 1 San Francisco, CA 94111
POLICY NUMBER		
CARRIER	NAIC CODE	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 **FORM TITLE:** Certificate of Liability Insurance

Named Insured: Prologis, L.P.; Prologis Mesquite, LLC ; Insured Location: New Central Gateway Lease; East Gateway CE-1; East Gateway CE-2; MH-1 Lease. The Named Insured includes: Prologis, Inc. and any subsidiaries and its interest in any partnership, joint venture or other legal entity in which Prologis, Inc. has management control or ownership as now constituted or hereafter is acquired, as set forth in the policy.

The City of Oakland, its councilmembers, directors, officers, employees, agents, and volunteers are included as additional insured as respects the operations of the Insured under the General Liability and Umbrella/Excess policies where required by written agreement. The policies are Primary and Non-Contributory where permitted by law and as required by written contract or agreement, but only to the extent required by such contract or agreement. Waiver of Subrogation applies in favor of Certificate Holder with respects to Workers Compensation as permitted by law, where required by written contract.

Exhibit E

November 14, 2022 Submitted Response to City Comments

Including Appendix A: Project Labor Agreement with the Alameda County Building Trades Council



Memorandum

Date: November 14, 2022

To: William Gilchrist, Director, City of Oakland Planning and Building Department
Corey Alvin, Environmental Coordinator, City of Oakland Planning and Building Department

From: Phil Ault, Director, FirstCarbon Solutions
Jessica Coria, Senior Scientist, FirstCarbon Solutions

Subject: Response to City of Oakland Comments RE: Annual Compliance Report dated July 15, 2022

INTRODUCTION

As a part of the environmental review for the development of the Oakland Army Base (OAB) Redevelopment Project, specific mitigation measures were developed in support of reducing air quality emissions impacts from the construction and operation of the OAB Redevelopment Project. Per the requirements included in the July 16, 2013, Development Agreement (“DA”) by and between the City of Oakland (“City”) and Prologis CCIG Oakland Global, LLC (“Prologis”), the previously submitted 2022 Annual Compliance Report, dated July 15, 2022, (2022 Report) serves as the basis for demonstrating Prologis’ compliance with the applicable requirements contained in the 2012 Initial Study (IS)/Addendum for the Oakland Army Base (OAB) Project Standard Conditions of Approval/Mitigation Monitoring and Reporting Program (SCA/MMRP). The 2022 Report describes how Prologis has, in good faith, substantially complied with the SCA/MMRP and the DA during for the reporting period from July 2021 – June 2022, and how subtenants at the OAB sites leased by Prologis have similarly complied with the SCA/MMRP and DA requirements. These sites include the East Gateway, New Central Gateway, and MH-1 Ground Leases. This memorandum has been prepared by FirstCarbon Solutions (FCS) on behalf of Prologis, to respond to comments received from the City about the 2022 Report via postal mail, dated September 21, 2022.

RESPONSE TO COMMENTS RECEIVED

1. **COMMENT:** The required Annual Compliance Report, including Exhibits A through C, dated July 15, 2022, was received by the City. The required application fee of \$4,238.87 was not received, and therefore the application to review the annual compliance report is incomplete.

RESPONSE: The full amount of the required application fee has been subsequently submitted by Prologis to the City.

2. **COMMENT:** Please make the minimum project square footage corrections (removing the MH-1 91% proration since Prologis is responsible for the full MH-1 minimum build and completing a

separate submittal following the Ground Lease process as stipulated in DA§§ 3.3 for sharing excess square footage across Gateways).

RESPONSE: Prologis is working with the City to address the applicable minimum build requirements in accordance with the DA, and delivered a separate submittal to the City, dated October 18, 2022, to address this requirement.

- 3. COMMENT:** While the Annual Compliance Report includes an annual accounting of the number of employees working at the East Gateway Lease Area (CE-2), no evidence of compliance with the Operations Jobs Policy was included in the submittal. Please demonstrate how Prologis complies with the Operations Jobs Policy for CE-2, as stipulated in DA §4.1.

RESPONSE: Prologis (the “Developer,” as referenced in the DA), is in full compliance with the requirements of the Operations Jobs Policy. DA §4.1 states that, “During such portion of the Term that the LDDA is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Article IV of the LDDA for such Phase. During such portion of the Term that a Ground Lease is in effect for any Phase, Developer shall comply with the Community Benefit requirements set forth in Section 37.6 of the applicable Ground Lease for such Phase. In addition, the parties hereby agree to amend the Construction Jobs Policy for the Public Improvements to require weekly compliance reporting through the website proposed by the California Capital & Investments Group, Inc.” Section 37.6 of the CE-2 Ground Lease includes the following Operations Jobs Policy requirements, as included in Exhibit 37.6:

- Developer shall ensure that any contract under which an On-Site Job, as defined in the Operations Jobs Policy, may be performed include the Operations Jobs Policy. Inclusion of such Policy in all relevant leases and contracts, and compliance with such Policy by the Developer, will fully meet the Developer obligation.
- Developer shall require compliance with the City Living Wage Ordinance for On-Site Jobs, in accordance with the terms of the Operations Jobs Policy
- Developer shall comply, and require its subtenants to comply with the City Equal Benefits Policy, except where such application would be inconsistent with the terms or conditions of a grant or a contract with an agency of the United States or the State of California
- Developer shall pay, at the time of each building permit application, the Jobs/Housing Impact Fee imposed pursuant to Council Ordinance 12422 to support the West Oakland Jobs Center
- Developer shall establish a Community Area Maintenance fee equal to \$0.005/month per leasable square foot of building space and pay annual fee into fund to support the Jobs Center. The annual fee shall increase consistent with the Ground Lease CPI Structure.

Prologis is in compliance with the above requirements. Prologis has included the Operational Jobs Policy in all relevant leases and contracts in the reporting period. Relevant contracts and leases in the reporting period for the East Gateway Lease Area (CE-2) include the active lease with the GoodEggs Fulfilment Center (GoodEggs), and the lease agreement currently under development with SHIFT. These lease contracts include copies of the Operational Jobs Policy.

Subtenants at the OAB are required to comply with the City Equal Benefits Policy, which is also included as a stipulation in the applicable lease agreements. Furthermore, Prologis has paid the required fees to support the West Oakland Jobs Center, as outlined in the requirements listed above. Therefore, Prologis hereby attests that it is in compliance with this requirement and has fully met its obligation under the DA for this reporting period.

4. **COMMENT:** For the New Central Gateway Lease Area, the Annual Compliance Report does not provide sufficient evidence demonstrating Prologis' obligation to demonstrate compliance with the Construction Jobs Policy. Please demonstrate how Prologis complies with the Construction Jobs Policy for the New Central Gateway Lease Area, as stipulated in DA §4.1.

RESPONSE: The Construction Jobs Policy, as included in Section 37.6 of the Ground Lease for the New Central Gateway Lease Area, includes the following requirements that apply to Prologis:

- The Developer shall include the Construction Jobs Policy for Vertical Construction, as a material term of all contracts under which construction of the Initial Improvements and Additional Improvements ("Vertical Construction") may occur, and shall itself comply with terms of such Policy. Inclusion of said Policy in all relevant contracts, and compliance with applicable terms of such policy by Developer, will fully satisfy the Developer's obligation with regard to such Policy.
- Prior to commencement of construction, Developer shall demonstrate to City that either: 1. Developer has entered into a Project Labor Agreement (PLA) with the Alameda County Building Trades Council for the Vertical Construction of the applicable lease area, or 2. Developer has used commercially reasonable efforts to enter into a PLA as described above.

Prologis hereby certifies that it has included the Construction Jobs Policy for Vertical Construction as a part of all contracts for Initial and Additional Improvements in the reporting period (July 2021 through July 2022). The applicable contract in the reporting period was for the construction of the Custom Goods project site. Furthermore, Prologis has entered into a PLA with the Alameda County Building Trades Council, as executed in 2017 (Appendix A). Therefore, Prologis has complied with all applicable requirements related to the Construction Jobs Policy for the New Central Gateway Lease Area.

5. **COMMENT:** For the MH-1 Lease Area, the Annual Compliance Report does not provide sufficient evidence demonstrating Prologis' obligation to demonstrate compliance with the Construction Jobs Policy. Please demonstrate how Prologis complies with the Construction Jobs Policy for the MH-1 Lease Area, as stipulated in DA§4.1.

RESPONSE: Construction in the MH-1 Ground Lease Area was completed in April 2021, and there was no active construction or related contracts in the MH-1 Lease Area during this reporting period. Therefore, Prologis has complied with all applicable requirements related to the Construction Jobs Policy for the MH-1 Lease Area during this reporting period.

6. **COMMENT:** Please respond to any other Staff comment identified in the attached redlined draft of your original submittal.

RESPONSE: No additional staff comments were included in the received comments dated September 21, 2022. If additional information was requested, Prologis respectfully requests that City staff resend those comments, preferably via email format, and Prologis will work to address the comments for further City review.

As included in the original 2022 Report, to date, neither Prologis nor the subtenants have received any notice of noncompliance with the DA for the ground leases for CE-2, New Central Gateway, or for the MH-1 site. Prologis is not aware of any action on its behalf that would demonstrate bad faith compliance or noncompliance with the DA or SCA/MMRP. In conclusion, Prologis is in good faith compliance with the DA on all lease areas and would like to extend thanks and appreciation to the City staff for their review of this compliance effort.

We hope that the information provided in this memorandum is sufficient to support the City's final review and approval of the 2022 Report. Should you have any questions, please feel free to reach out to myself at pault@fcs-intl.com, or Jessica Coria, Senior Air Quality Scientist, at jcoria@fcs-intl.com.

Sincerely,



Philip Ault, Director of Noise & Air Quality
FirstCarbon Solutions
2999 Oak Road, Suite 250
Walnut Creek, CA 94597



Appendix A:
Project Labor Agreement (PLA) Between Prologis and
Alameda County Building Trades Council



Project Labor Agreement

for

**The Vertical Construction of the East and New Central Gateway
of the Oakland Army Base Project**

between

ProLogis Mesquite, LLC

and the

Building & Construction Trades Council of Alameda County, AFL-CIO

and

Its Affiliated Labor Organizations

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PROJECT LABOR AGREEMENT
FOR THE VERTICAL CONSTRUCTION OF THE EAST AND NEW CENTRAL GATEWAY
OF THE OAKLAND ARMY BASE PROJECT

This Project Labor Agreement ("Agreement") is entered into this _____ day of _____, 2017 between ProLogis Mesquite, LLC a California limited liability company ("Developer" or "Prime Employer"), and the Building and Construction Trades Council of Alameda County, AFL-CIO ("Council"), and any labor organization affiliated with the Council and signatory to this Agreement, acting on their own behalf and on behalf of their respective affiliates and member organizations whose names are subscribed hereto and who have through their officers executed this Agreement ("Union(s)").

This Agreement shall be binding upon Developer/Prime Employer and upon all contractors and subcontractors at all tiers who become bound hereto by executing a Letter of Assent (Attachment A) (collectively referred to herein as "Contractor(s)") and upon the Council and all labor unions that become signatory hereto.

PURPOSE

The purpose of this Agreement is to promote efficiency of construction operations during the construction of the Project, located on the parcels leased to Developer as more fully described in the Lease Disposition and Development Agreement ("LDDA") between the City of Oakland and Developer dated October 23, 2012, as amended from time to time, and to provide for the peaceful settlement of labor disputes and grievances without strikes, pickets or similar activity, or lockouts, causing disruptions to the construction process, thereby assuring the timely and economical completion of the Project.

The parties recognize the need for the timely completion of the Project as defined herein without interruption or delay. This Agreement is intended to promote efficient construction operations in a safe work environment, to ensure an adequate supply of skilled craft workers, and to enhance this cooperative effort through the establishment of a framework for labor-management cooperation and stability.

A central purpose of the parties in executing this Agreement is to guarantee labor peace on the Project by minimizing the jobsite friction that could arise at a common-situs jobsite when union employees of different contractors are required to work alongside non-union employees in their own craft or in those other crafts with which they generally work in close proximity, performing work that is closely related and coordinated, thereby leading to labor disputes that could delay completion of the Project and cause disruption of the work. This Agreement accomplishes these objectives by requiring that all Covered Work be performed by workers who are Union(s) members. For any work that falls outside the scope of this Agreement or that is excluded from Covered Work, the Developer/Prime Employer and/or Contractor(s) further protects itself from the potential effects of jobsite friction by prohibiting all strikes, picketing or similar activity for any reason whatsoever on the Project.

The parties desire to mutually establish and stabilize wages, hours and working conditions for the workers employed on the Project by the Contractor(s) and represented by the Union(s) to the end that a satisfactory, continuous and harmonious relationship will exist among the parties to this Agreement.

This Agreement is not intended to replace, interfere with, abrogate, diminish or modify existing local or national collective bargaining agreements in effect during the duration of the Project, insofar as a legally binding agreement exists between the Contractor(s) and the affected Union(s) except to the extent that the provisions of this Agreement are inconsistent with said local or national agreement(s), in which event, the provisions of this Agreement shall prevail.

In the interest of the future of the construction industry in the local area, of which the Union(s) are a vital part, and to maintain the most efficient and competitive posture possible, the parties signatory to this Agreement pledge to work and cooperate with each other to produce the most efficient utilization of labor and equipment. The parties signatory to this Agreement pledge their full good faith and trust to work towards the mutually satisfactory completion of the Project;

To that end, it is hereby agreed that the General Contractor, Construction Manager and Project Manager, and all Contractor(s) who perform Covered Work on this Project at whatever tier, must be signatory to, or agree to become signatory to, the Schedule A Agreement(s) of the Union(s) signatory hereto for the craft work being performed by the Contractor(s). Developer need not be signatory to a Schedule A unless it self-performs Covered Work.

The Parties understand that this Agreement shall be construed to conform with applicable Federal, State, and local law, and that should any provision of this Agreement or a Schedule A Agreement be in conflict with such law, the applicable Federal, State, and/or local law shall prevail.

ARTICLE I DEFINITIONS

1.1 "Agreement" means this Project Labor Agreement ("PLA").

1.2 "Completion" means when a certificate of completion issues for the core and shell of each structure or when a certificate of occupancy issues for Covered Tenant Improvement work. Completion is measured separately on a structure by structure basis. The definition of "Completion" includes all forms of the word, such as "Complete" or "Completed."

1.3 "Contractor(s)" means any individual, firm, partnership or corporation, or combination thereof, including joint ventures, and including the Developer and any General Contractor, Construction Manager, Project Manager or the equivalent, that is an independent business enterprise, and any of its contractors or subcontractors of any tier, and their successors and assigns, that performs, assigns, awards, or subcontracts Covered Work on the Project.

1.4 "Construction Contract(s)" means all contracts for Covered Work, approved by the Developer that are necessary to complete the Project, and all subcontracts thereunder.

1.5 "Construction Jobs Policy" or "CJP" shall mean the Construction Jobs Policy, Oakland Army Base Project, Vertical Construction as set forth in the LDDA.

1.6 "Council" means the Building & Construction Trades Council of Alameda County, AFL-CIO.

1.7 "Covered Work" is all work defined in Section 2.3, below, except as excluded by the terms of Section 2.5.

1.8 "Developer" or "Prime Employer" means ProLogis Mesquite LLC.

1.9 "Effective Date" means the date of execution of this Agreement by the Developer and by the Council, provided however, that this Agreement shall be void ab initio as to the Property or any parcel if the Property or any individual parcel described in the LDDA is not transferred to Developer.

1.10 "Lease Disposition and Development Agreement" or "LDDA" means that certain contract pertaining to the Army Base East and New Central Gateway Redevelopment Project entered into between the City of Oakland, the Oakland Redevelopment Successor Agency and the Developer on October 23, 2012.

1.11 "Letter of Assent" means the letter set forth in Attachment A that shall be signed by all Contractors of any tier as a precondition of performing, assigning, awarding, or subcontracting Covered Work on the Project.

1.12 "Master Agreement(s)" or "Schedule A" Agreement(s) (hereafter referred to collectively as Schedule A Agreement(s)) means the local area collective bargaining agreements negotiated from time to time by the Union having jurisdiction over the Covered Work, copies of which shall be made available by the Council to Developer upon request and which shall be incorporated herein by reference

1.13 "Project" means the vertical construction project on that site identified as the East and New Central Gateway as shown on Attachment B, attached hereto, and any related infrastructure work to be done by or under control of Developer.

1.14 "Property" means that certain leased parcel identified as the East and New Central Gateway as shown on Appendix B, attached hereto.

1.15 "Union(s)" means any labor organization affiliated with the Building & Construction Trades Council of Alameda County, AFL-CIO, and signatory to this Agreement, acting on their own behalf and on behalf of the respective affiliates and member organizations whose names are subscribed hereto and who have through their officers accepted and executed this Agreement.

ARTICLE II SCOPE OF AGREEMENT

2.1 The Parties: This Agreement shall apply and is limited to the Prime Employer and all Contractor(s) performing, assigning, awarding or subcontracting Covered Work on the Project and the Council, and the Union(s) affiliated with the Council and signatory to this Agreement.

2.2 The Project: This Agreement covers the Project as set forth in Section 1.13. The final plans for the Project may be modified and/or subject to further approval by the City of Oakland or other public agencies having approval authority over the Project or portions thereof, and this Agreement applies and will apply to the Project as finally approved by all such entities. Once a Construction Contract is Completed, it is no longer covered by this Agreement except when a Contractor is directed to engage in repairs, warranty work or modifications required by its Construction Contract, including any change orders. For the purposes of this Agreement, a Construction Contract shall be considered Completed as set forth in Section 1.2 of this Agreement.

2.3 Covered Work: Except as excluded elsewhere in this Agreement, all of the Project construction work described in this Paragraph 2.3 and further described within this Agreement is considered Covered Work under this Agreement, including, without limitation:

(a) all on-site preparation, surveying, construction, alteration, demolition, installation, painting or repair of buildings, structures and other works, and construction-related activities for the Project, including geotechnical and exploratory drilling, temporary HVAC, and landscaping and temporary fencing, that is within the craft jurisdiction of one of the Union(s) and which is part of the Project, including, without limitation to the following examples, pipelines (including those in linear corridors built to serve the project), pumps, pump stations, start-up, and modular furniture installation, and on-site soils and material inspection and testing to be performed to complete the Project, and all construction, demolition or improvements required to be performed as a condition of approval by any public agency;

(b) tenant improvement work beginning up to one year following Completion, other than tenant improvement work specifically excluded from this Agreement in Section 2.5, below;

(c) any start-up, calibration, commissioning, performance testing, warranty work, repair, operational revisions within 90 days to systems and/or subsystems installed under this Agreement performed after Completion;

(d) work done for the Project in temporary yards, dedicated sites or areas established for or adjacent to the Project, and at any on-site or off-site batch plant constructed solely to supply materials to the Project;

(e) construction trucking work, such as the delivery of ready-mix, asphalt, aggregate, sand or other fill or similar materials which are incorporated into the construction process, as well as the off-hauling of debris and excess fill, material and/or mud. For the avoidance of doubt, the delivery of fill material which is stockpiled for later use shall not be Covered Work. Nothing in this Agreement shall prevent a Contractor or subcontractor from complying with the City's

Green Halo waste management requirement; however, only to the extent of a direct conflict with this Agreement will the Green Halo requirement control.

(f) on-site fabrication work over which Contractor(s) at all tiers possess the right of control (including work done for the Project in any temporary yard or area established for the Project). This Agreement also covers any off-site work, including fabrication, that is traditionally performed by any Union(s) that is directly or indirectly part of the Project, provided such work is currently covered by a provision of a local Master Agreement or a local addendum to a national agreement of the applicable Union(s).

2.4 Effect of Other Agreements: It is agreed that the Prime Employer shall require all Contractors of whatever tier who have been awarded contracts for work covered by this Agreement, to accept and be bound by the terms and conditions of this Agreement by executing the Letter of Assent (Attachment A) prior to commencing work. The Prime Employer shall assure compliance with this Agreement by the Contractors. It is further agreed that, where there is a conflict, the terms and conditions of this Agreement shall prevail over terms and conditions of any and all other national, area, or local collective bargaining agreements. Work covered by this Agreement within the following craft jurisdictions shall be performed under the terms of their National Agreements as follows: National Agreement of Elevator Constructors, National Transient Lodge (NTL) Articles of Agreement, the National Stack/Chimney Agreement, the National Cooling Tower Agreement, and all instrument calibration work and loop checking shall be performed under the terms of the UA/IBEW Joint National Agreement for Instrument and Control Systems Technicians, with the exception that Articles XVII, XVIII and XIX of this Agreement shall apply to such work.

2.5 Exclusions: The following are not considered Covered Work under this Agreement:

(a) Work of non-manual employees if not covered by Schedule A Agreement(s) of a Contractor(s), such as executives, managerial employees, staff engineers, supervisors above the level of general foremen, off-site laboratory testers, quality control and assurance personnel, timekeepers, mail carriers and clerks, office workers, messengers, safety personnel, emergency medical and first aid technicians, professional architectural and engineering employees, administrative and supervisory employees, and guards. The parties agree that Trust Fund contributions may be paid to the Union(s) Fringe Benefit Trust Funds on behalf of superintendents employed by Contractor(s) in accordance with the Schedule A Agreements.

(b) All work performed by the State, City, County or other governmental entities or their contractors, or by public utilities or their contractors, or off-site work undertaken by Developer or its contractors that is not part of the Project or that is not required to be performed by Developer under the terms of the LDDA.

(c) On-site supervision of work required by a vendor or manufacturer to protect a manufacturer's or vendor's warranty, and, in limited circumstances requiring special knowledge of the particular item(s), on-site installation or application of specialty items may be performed by construction persons of the vendor or manufacturer where necessary to protect a manufacturer's warranty, *provided* the contractor using the vendor or manufacturer can

demonstrate by an enumeration of specific tasks that the work cannot be performed to the specification/requirements of the particular manufacturer or vendor by construction persons employed under this Agreement. All such work to be performed by construction persons of the vendor or equipment manufacturer necessary to protect the warranty on such equipment shall be identified and discussed at the relevant pre-job conference as provided in Article XVI of this Agreement. Prior to the award of the applicable Covered Work the Contractor, Prime Employer, Council, and affected Unions shall meet and confer to resolve application of this Section. The issue of whether it is necessary to use construction persons of the vendor or manufacturer to protect the manufacturer's warranty shall be subject to the grievance and arbitration provision of this Agreement.

(d) Delivery, movement, placement, and assembly of freestanding furniture and tenant equipment that is not part of a modular office system.

(e) On-going maintenance and landscape maintenance post-completion, non-construction related janitorial work, and security services.

(f) Customer service activity that is not customarily contracted out to a contractor in the construction industry.

(g) Work on the Project undertaken as a result of a threat to life, limb or property, or other work required by an emergency, act of war, terror or threat to public safety.

(h) All off-site maintenance of leased equipment.

(i) Tenant improvement work performed by a single tenant or by the Prime Employer or a Contractor on behalf of a single tenant within an engineer's or architect's cost estimate of less than one hundred thousand dollars (\$100,000.00). Prime Employer, Contractor or Tenant will provide the applicable cost estimate on request. Cost estimates or bids shall not be manipulated for the purpose of avoiding coverage of the Agreement.

(j) All non-craft work not covered by Schedule A Agreement(s) relating to the investigation, remediation, mitigation and monitoring of hazardous materials or conditions, including, but not limited to, work performed pursuant to the Final Remedial Action Plan, Oakland Army Base, Oakland, California (the "RAP/RMP") and the Risk Management Plan attached as Exhibit E thereto, prepared for the Oakland Base Reuse Authority and the California Environmental Protection Agency, Department of Toxic Substances Control, and dated September 27, 2002, as said RAP/RMP has been or may be amended from time to time and the SMP (Soils Management Plan).

(k) All laboratory work for specialty testing or inspections that is not covered by a Schedule A Agreement.

(l) The delivery and handling of supplies, equipment or materials which are stockpiled for later use.

ARTICLE III EFFECT OF AGREEMENT

3.1 By accepting the award of a Construction Contract(s) for the Project, whether as contractor or subcontractor, the Contractor(s) agrees to be bound by each and every provision of this Agreement.

3.2 The provisions of this Agreement, including the Schedule As incorporated herein by reference, shall apply to the Contractor(s), the Council and the Union(s) on this Project only, notwithstanding the provisions of any local and /or national union agreements which may conflict or differ with the terms of this Agreement. Where a subject covered by the provisions of this Agreement is also covered by a Schedule A Agreement, the provisions of this Agreement shall prevail. Where a subject is covered by the provisions in the applicable Schedule A Agreement and is not covered by this Agreement, the provisions of the applicable Schedule A Agreement shall prevail.

3.3 This Agreement shall be binding only on the signatory Contractor(s), and their successors and assigns, and it shall not apply to their parents, affiliates, related entities, joint or sole ventures or subsidiaries. This Agreement applies only to the Project, and has and shall have no force or effect on any other construction projects.

3.4 It is agreed that the liability of any Contractor and/or Developer and of the separate Unions under this Agreement are several from, and not joint with, the liability of any other contractor, developer, employer or Union. No employer, Contractor or Developer shall be considered to have a joint employer, single employer or alter ego relationship with any other contractor, developer or employer by virtue of becoming bound by or executing this Agreement. This Agreement does not create any relationship between Prime Employer and any employee of any other Contractor. In no event shall Prime Employer be subject to any withdrawal liability under the Multi-Employer Pension Plan Amendments Act as presently constituted or hereafter amended, unless it directly employs craft workers to perform Covered Work

3.5 In the event of their expiration, Schedule A Agreements incorporated as part of this Agreement shall continue in full force and effect, including the no-strike/no-lockout provisions of the Schedule A Agreements and Articles XVII, XVIII and XIX of this Agreement, until a new or modified Schedule A Agreement is reached. Any provisions negotiated in said Schedule A Agreement(s) will not apply to the Covered Work if such provisions are more costly to the Contractor or the Prime Employer for such work than those uniformly required of contractors for construction work normally covered by those agreements, nor shall any provision be recognized or applied if it reasonably may be construed to apply exclusively or predominantly to work on the Project. The Unions agree that the Schedule A Agreements, renewals, extensions or amendments for Contractors on the Project shall be no less favorable than those negotiated for other signatory contractors.

3.6 Invitations to Bid: It is further agreed that this Agreement shall be included in all invitations to bid or solicitations for proposals from contractors or subcontractors for work on the Project that are issued on and after the Effective Date of this Agreement. A copy of all

invitations to bid shall be provided at the time of issuance to the Council and, when possible, to the applicable craft.

ARTICLE IV SUBCONTRACTING

4.1 Except as set forth in the applicable Schedule A Agreement, nothing in this Agreement shall limit the rights of Prime Employer or any Contractor at any tier to subcontract Covered Work or select its contractors or subcontractors. At the time that any Contractor(s) enters into a subcontract with any subcontractor providing for the performance of Covered Work, the Contractor(s) shall provide a copy of this Agreement, as it may from time to time be modified, to said subcontractor and shall require the subcontractor as a condition of accepting an award of a construction subcontract to agree in writing to become bound by this Agreement prior to the commencement of work by executing the "Letter of Assent" attached hereto as "Appendix A."

4.2 The General Contractor, Construction Manager and Project Manager, and all Contractors who perform Covered Work on this Project at whatever tier, must be signatory to, or agree to become signatory to, the Master Agreement(s) of the applicable Union(s) signatory hereto, except that Developer need not be signatory to a Schedule A unless it self-performs Covered Work. Each Contractor agrees that it will only subcontract Covered Work on this Project to contractors who are signatory to, or agree to become signatory to the Schedule A Agreement(s) of the Union(s) signatory hereto for the relevant craft work being performed by the Contractor.

4.3 The Contractor(s) have the primary obligation for performance of all conditions of this Agreement. This obligation cannot be relieved, evaded or diminished by subcontracting. Should the Contractor(s) elect to subcontract, the Contractor(s) shall continue to have such primary obligation.

ARTICLE V MINIMUM BIDS

5.1 If Developer, tenant or any other Contractor awarding the work does not receive bids at the close of the bid date on a contract for Covered Work from at least three (3) separate, unrelated Union signatory qualified contractors, Developer, tenant or other Contractor may reject all of the bids submitted for such contract and put the contract out for new bids. The Union(s) having craft jurisdiction over the Covered Work being bid shall be given notice that Developer, tenant or other Contractor received fewer than the minimum number of bids, with a full description of the scope of the Covered Work to be bid. Upon receipt of such notification, the Union(s) shall be given five (5) business days to contact Union signatory contractors to advise them of the second solicitation for bids. Developer, tenant or other Contractor shall take all reasonable steps to ensure that plans and specifications for the second solicitation of bids shall be made available on an expedited basis to any Union signatory contractor indicating an interest in submitting a bid during the second solicitation period. After the five (5) business day period potential bidders shall be given not less than ten (10) additional business days (the "Additional Time") to submit a bid to Developer, tenant or other Contractor. If, after the Additional Time,

Developer, tenant or other Contractor awarding that work does not receive bids at the close of the bid date for such contract from at least three (3) separate, unrelated Union signatory qualified contractors, the work may be awarded to and performed by any qualified contractor, as defined in Section 5.2 below, provided that three (3) business days' prior notice is provided to the Council, and such qualified contractor (1) agrees to be bound by the terms of this Agreement by signing the Letter of Assent prior to commencing work; and (2) complies with the terms of, but is not required to be signatory to, the applicable Schedule A Agreement for such Covered Work only.

5.2 For purposes of this Article, the term "qualified contractor" shall refer to a licensed, financially qualified contractor with experience in the type of work required, that is capable of meeting the job schedule, that for at least the twelve (12) month period prior to bidding has provided employer-paid medical coverage and retirement benefits for its employees, does not have any delinquent unpaid wage or penalty assessments owed to any employee or enforcement agency, has submitted a commercially reasonable bid, is bondable, and carries appropriate insurance, including Workers' Compensation insurance (or participates in a State recognized Workers' Compensation ADR Program).

5.3 The Developer, tenant or Contractor awarding the work shall be liable for liquidated damages to the Union with jurisdiction over the work performed by a so-called qualified contractor awarded work pursuant to Section 5.1 above that is not signatory to a Schedule A Agreement if such contractor fails to meet the required standards for a qualified contractor provided in Section 5.2 or fails to comply with the terms of the applicable Schedule A Agreement for such Covered Work. In the event that liquidated damages are owed, such awarding Contractor shall pay an amount equal to the journeyman total compensation package of the applicable Union for each hour that work was performed on the Project by employees of a non-compliant qualified contractor. The liquidated damages shall be paid as follows: half to the qualified pension plan and half to the qualified health and welfare plan of the Union having jurisdiction over the work performed by the non-compliant qualified contractor. The parties agree that the Unions shall enforce, collect and receive liquidated damages pursuant to this Article on behalf of its qualified pension plan and its qualified health and welfare plan. The qualified pension plans and the qualified health and welfare plans shall have no right to enforce independently the provisions of this Agreement, including, but not limited to, the liquidated damages provisions contained in Article V. This Agreement to pay liquidated damages does not constitute a waiver of the awarding Contractor's ability to contest pursuant to the Grievance Procedure set forth in Article XVII any claim that a non-compliant qualified contractor violated this Article or the calculation of the amount of liquidated damages owed.

ARTICLE VI

WAIVER

6.1 The parties acknowledge that the Prime Employer is an employer in the construction industry and that this Agreement is a lawful pre-hire agreement within the meaning of Section 8(f) of the National Labor Relations Act, and the Contractor(s) and Prime Employer expressly waive any right which it or they may claim to have to repudiate or otherwise void this Agreement. This Agreement applies to this Project only, and shall not affect the Section 9(a) status of any other collective bargaining agreement(s) to which the parties are signatory.

ARTICLE VII UNION SECURITY

7.1 The Contractor(s) recognize the Union(s) as the sole bargaining representative of all craft employees working within the scope of this Agreement.

7.2 All employees who are employed by Contractor(s) to perform Covered Work on the Project will be required to become members of and maintain membership in the appropriate Union(s) on or before the eighth (8th) consecutive or cumulative day of employment on the Construction Contract(s).

ARTICLE VIII REFERRAL

8.1 The Union(s) shall be the sole dispatcher of all craft labor employed on the Project. Contractor(s) shall be bound by and utilize the registration facilities and referral systems established or authorized by the Union(s) and contained within the Schedule A Agreement(s), except as otherwise specified in this Agreement. Consistent with the Schedule A Agreements, the Contractors shall have the right to determine the competency of all referrals and to reject any applicant referred by the Unions.

ARTICLE IX CONSTRUCTION JOBS POLICY

9.1 The Unions recognize that the Developer, Prime Employer and Contractors at all tiers are, through the terms of the LDDA, bound to the Construction Jobs Policy ("CJP"). To that end, the Council and Unions agree as follows:

(a) The Unions will use their best efforts to assist the Contractors in fulfilling the requirements of the CJP, including, but not limited to, the provisions of Sections III A, B, C and D of the CJP. The Unions and their respective hiring halls further agree that to assist the Contractors in meeting these obligations they will, when requested by the Contractor, permit name call procedures, when available, and rehire requests, and then refer "Residents" of the City of Oakland (as defined in the CJP) on a priority basis. If such workers are not available in sufficient numbers, Unions will allow the Contractor to use qualified referrals from the Jobs Center (as referred to in the CJP) consistent with the Schedule A Agreements, hiring hall procedures and JATC rules and procedures of the applicable Union.

(b) The Unions shall use reasonable means available to assist the Contractor(s) in meeting the CJP obligations for the employment of "Apprentices" set forth in Section III D to perform at least twenty percent (20%) of the total Project Work Hours (as defined in the CJP).

(c) The Unions agree to facilitate sponsored Residents into joint labor-management apprenticeship programs, and refer such New Apprentices to Contractor(s) upon request.

(d) If a sponsored Resident is not accepted into a joint labor-management training program, the Union(s), upon request of the City of Oakland or Contractor(s), will provide information regarding the reason(s) for not accepting the worker into the program (to the extent

allowed by law) and work collaboratively with the City and the Contractor(s) to resolve obstacles to the enrollment of that worker and other Residents.

(e) The Union(s) agrees to collaborate with and support Union and MC3-certified pre-apprenticeship programs to prepare Residents to become New Apprentices and to assist with the recruitment of Residents for such programs and connecting with Contractors for sponsorship opportunities.

(f) If the foregoing measures reasonably appear unlikely to allow the Contractor(s) to meet the requirements on the CJP, upon request of Developer or Prime Employer, the Unions agree to meet and confer with Contractors and/or Developer and/or Prime Employer regarding improving outcomes under the CJP.

9.2 In the event that referral facilities maintained by the Unions are unable to fill the requisition of a Contractor for employees within seventy-two (72) hour period after the Contractor makes such a requisition, excluding Saturdays, Sundays and holidays as designated in the applicable Schedule A Agreement, the Contractor shall be free to obtain skilled personnel from other sources. In the event the Contractor hires an employee from another source, the Contractor shall immediately provide the appropriate Union with the name, address and social security number of the employee and shall immediately instruct such employee(s) to satisfy the requirements of Section 7.2.

ARTICLE X

NON-DISCRIMINATION

10.1 The Union(s) and Contractor(s) shall not unlawfully discriminate against any employee or applicant for employment because of race, color, sex, sexual orientation, national origin, age, religion, disability, or any other basis prohibited by law.

ARTICLE XI

JOB-SITE ACCESS

11.1 In accordance with the Schedule A Agreements, authorized representatives of the Union(s) shall have access to the Project at all times and locations where work is being, has been, or will be performed by members of their Union(s), and will comply with a reasonable initial safety check, security check and reasonable safety rules.

ARTICLE XII

WAGES, HOURS AND WORKING CONDITIONS

12.1 The wages, fringe benefits, hours of work, holidays and designated days off and working conditions on the Project shall be governed by the Schedule A Agreement of the applicable craft Union performing the work except as modified by this Agreement.

12.2 To the extent a condition of employment provided for in Industrial Welfare Commission Wage Order 16 is not covered by an applicable Schedule A Agreement, the requirements of Wage Order 16 shall be complied with on this Project.

ARTICLE XIII

APPRENTICES

13.1 Recognizing the need to develop adequate numbers of competent workers in the construction industry, the Contractor(s) shall employ apprentices of a California State-approved Joint Apprenticeship Program in the respective crafts to perform such work as is within their capabilities and which is customarily performed by the craft in which they are indentured.

13.2 Apprentice ratios will be in compliance with the provisions of the applicable Schedule A Agreements.

ARTICLE XIV

HELMETS TO HARDHATS

14.1 The Contractor(s), the Council and the Union(s) recognize a desire to facilitate the entry into the building and construction trades unions of veterans who are interested in careers in the building and construction industry. The Contractor(s) the Council and the Union(s) agree to utilize the services of the Center for Military Recruitment, Assessment and Veterans Employment (hereinafter "Center") and the Center's "Helmets to Hardhats" program to serve as a resource for preliminary orientation, assessment of construction aptitude, referral to apprenticeship programs or hiring halls, counseling and mentoring, support network, employment opportunities and other needs as identified by the parties.

14.2 The Council, the Union(s) and the Contractor(s) agree to coordinate with the Center to participate in an integrated database of veterans interested in working on the Project and of apprenticeship and employment opportunities for this Project. To the extent permitted by law, the Union(s) will give credit to such veterans for bona fide, provable past experience.

ARTICLE XV

MANAGEMENT RIGHTS

15.1 Consistent with the Schedule A Agreements, the Prime Employer retains the right of control and coordination of all construction work on the Project by determining work scheduling, including starting times, and the necessity for and times of shift work; enforcing any agreed drug and alcohol abuse and testing policy; directly removing any employee, whether employed directly by any Contractor, for breach of reasonable rules promulgated by Prime Employer governing conduct on the job, and ordering corrective action necessary to maintain reasonable and lawful standards for workplace health and safety.

15.2 Prime Employer reserves the right, in its sole discretion, to terminate, delay, suspend, modify, augment and/or expand any and all portions of the Covered Work at any time; including, but not limited to, value engineering, re-packaging, and/or re-bidding any Covered Work or otherwise combining, modifying, consolidating, or canceling contracts identified as part of the Covered Work. Should the Prime Employer remove any work or contract from the Project and thereafter authorize that such Covered Work be commenced, then such work or contract shall be performed under the terms of this Agreement. If required by the City of Oakland, the Prime Employer may require or prohibit some or all work on certain days or during certain hours of the day and/or require such other operational or schedule changes that it may deem necessary.

15.3 Consistent with the Schedule A Agreements, the Contractor(s) retain(s) the full and exclusive authority for the management of their operations, to determine the number and qualifications of their employees; the promotion, transfer, layoff of their employees; the discipline or discharge of their employees; the selection of forepersons and other supervisors; the assignment and scheduling of work; the promulgation of reasonable work rules that are consistent with this Agreement; and the determination of when overtime will be worked and the number of employees engaged in such work. No rules, customs or practices that limit or restrict productivity, efficiency or the individual and/or joint working efforts of employees shall be permitted or observed, except that the lawful manning and fabrication provisions in the Schedule A Agreement(s) shall be recognized and applied on the Project.

15.4 There shall be no limitation or restriction upon the choice of materials or upon the full use and installation of equipment, machinery, package units, factory precast, prefabricated or preassembled materials, tools or other labor saving devices, except as set forth in Covered Work, Section 2.3(f), above.

15.5 The use of new technology, equipment, machinery, tools and/or labor saving devices and methods of performing work may be initiated by Prime Employer or any other Contractor in their respective discretion from time to time. The Council and the Unions agree that they will not in any way restrict the implementation of such new devices or methods of work. If there is any disagreement between a Contractor and a Union concerning the manner or implementation of such device or method of work, the implementation shall proceed as directed by the Contractor and the Union shall have the right to arbitrate the dispute as set forth in Article XVII.

15.6 The foregoing list of management rights is not exclusive; Contractor(s) retain all management and legal rights not specifically enumerated in this Agreement, consistent with the applicable Schedule A.

ARTICLE XVI

PRE-JOB CONFERENCES

16.1 The Prime Employer shall hold and the Council shall conduct a mandatory pre-job conference with representatives of all involved Contractors and the Unions at a location mutually agreeable to the Council at least twenty-one (21) calendar days prior to:

- (a) The commencement of any Covered Work; and
- (b) The commencement of Covered Work on each subsequently awarded Construction Contract.

16.2 The conference shall be attended by a representative of each participating Contractor, each affected Union, and the Council.

16.3 The pre-job conference will consist of:

- (a) A listing of each Contractor's scope of work;

- (b) The craft work assignments;
- (c) The estimated number of craft workers required to perform the work;
- (d) Transportation arrangements;
- (e) The estimated start and completion dates of the work;
- (f) Discussion of pre-fabricated materials;
- (g) All workforce requirements for the Project;
- (h) Identification and discussion of work pursuant to Section 2.5(c);
and
- (i) Discussion of any trucking work

16.4 All Covered Work shall proceed on schedule as assigned at the pre-job conference notwithstanding any pending disputes about the assignment of any portion of that work.

16.5 Review Meetings: In order to ensure the terms of this Agreement are being fulfilled and all concerns pertaining to the Prime Employer, the Union(s), and the Contractor(s) are addressed, the Prime Employer and Secretary-Treasurer of the Council or designated representatives thereof shall meet on request of either party on a periodic basis during the term of construction.

ARTICLE XVII GRIEVANCE AND ARBITRATION PROCEDURES

17.1 With the exception of disputes covered by Article XVIII or XIX, disputes shall be resolved as follows. The Council and the Prime Employer shall each appoint one member to a Joint Administrative Committee. The Joint Administrative Committee shall meet as required to resolve grievances by majority vote with such resolutions to be final and binding on all signatories of the Agreement, consistent with this Article XVI.

17.2 Any grievance concerning the interpretation or application of this Agreement not brought to the attention of the Contractor(s) or Union(s) within ten (10) working days after the grievance is alleged to have occurred, but in no event more than thirty (30) days after the party raising the grievance became or should have become aware of the event giving rise to the grievance shall be null and void.

Step 1: The grieving party shall give notice to and meet with the other party within five (5) business days after the initial notice of the grievance in an attempt to resolve the dispute. Any dispute resolved at Step 1 shall be non-precedential to future disputes on this Project.

Step 2: If the dispute is not resolved informally at Step 1, the grievance shall be reduced to writing and served upon the other party by facsimile, first class mail or email, within five (5) business days after the conclusion of efforts to resolve the dispute at Step 1. Regardless of

which party has initiated the grievance proceeding, prior to a Step 2 meeting, the Union(s) shall notify its international union representative(s), which shall advise both parties if it intends on participating in a Step 2 meeting. The Prime Employer and the Council shall have the right to participate in any efforts to resolve the dispute at Step 2.

Step 3: If the dispute is not resolved at Step 2, either party may, within five (5) business days thereafter, move the dispute to arbitration. After the request for arbitration is made in writing, an arbitrator shall be selected by each party alternately striking a name from the following list of arbitrators: William Engler, Robert Hirsch, John Kagel, Barry Winograd, William Riker. The party to strike first shall be determined by a coin toss. The following procedures shall then apply:

- (a) Upon selection of an arbitrator, the Prime Employer shall provide notice to the arbitrator and parties to the grievance. Unless the Parties agree otherwise, any arbitrator who does not respond within seventy-two (72) hours or who is not available within twelve (12) weeks of this notice shall be deemed to have waived the assignment. The grievance shall be referred to the next arbitrator on the list who was last to be struck (and so on, until an arbitrator is selected). The Prime Employer may provide written notice by electronic mail, hand delivery, or overnight mail which will be deemed effective upon receipt.
- (b) The arbitrator shall arrange for a hearing on the earliest date available from the date of her/his selection. The arbitrator's decision shall be confined to the issue(s) posed by the grievance and shall be remedial only. The arbitrator shall not have the authority to modify, amend, alter, cancel, add to or subtract from any provision of this Agreement.
- (c) A decision shall be given to the parties within five (5) business days after completion of the hearing unless such time is extended by mutual agreement. If any party desires a written opinion, one shall be issued within fifteen (15) days, but its issuance shall not delay compliance with, or enforcement of the award. The requesting party shall be responsible to pay any additional cost associated with the written opinion. The arbitrator's decision shall be final and binding upon all parties to the grievance.
- (d) The cost of the arbitrator's fees and expenses and any cost to pay for facilities for the hearing shall be borne equally by the parties to the grievance. The cost of a court reporter shall be paid by the requesting party, unless otherwise agreed.
- (e) Any of the time periods set forth in this Article XVII may be modified in writing by mutual consent of the parties to the grievance, and any written referral or request shall be considered timely if it is personally delivered, faxed, electronically mailed or postmarked during the agreed extended time period. Failure to respond in writing within the time limits provided above, without a mutually agreed upon extension of time, shall be deemed a waiver of such disputes with prejudice.

17.3 The Prime Employer and/or Council may, at its option, participate in any proceeding initiated under this Article XVII. However, neither the Prime Employer nor the Council shall be responsible for fees and expenses of the proceeding unless it is a party to the proceeding.

17.4 Failure to timely file and/or process a grievance will constitute a waiver of the grievance. However, the parties may agree (in writing, or orally and confirmed in writing) to extend the time limits set forth herein.

17.5 Any dispute concerning the interpretation of a Schedule A Agreement shall be governed by the grievance and arbitration provisions of the applicable Schedule A Agreement. Any dispute involving the discipline and/or discharge of an employee working on the Project shall be resolved through the grievance and arbitration provisions contained in the Schedule A for the craft of the affected employee. Where an issue is addressed in both this Agreement and the Schedule A Agreement, this Agreement shall prevail and the arbitration provisions of this Agreement shall govern the dispute resolution. Where an issue is addressed in the Schedule A Agreement, and not in this Agreement, the Schedule A shall prevail and the arbitration provisions of the Schedule A Agreement shall govern the dispute resolution.

17.6 If any listed arbitrator in this Article is no longer working as a labor arbitrator, the Prime Employer and the Council shall mutually agree to a replacement.

ARTICLE XVIII

NO-STRIKE- NO-LOCKOUT PROVISIONS

18.1 No Strike: It is agreed between the parties that for the duration of the Project, there shall be no strikes, picketing, slowdowns, hand-billing, sickout, sympathy strike, refusal to work, advising the public that a labor dispute exists or other work stoppages of any kind, or for any reason at the Project or at any other facility of Prime Employer or Contractor because of a dispute on or arising from the Project.

18.2 No Lockout: It is further agreed between the parties that for the duration of the Project, there shall be no lockout of employees by the Contractor(s) on the Project. It is understood that the term "lockout" does not refer to the discharge or termination in accordance with a Schedule A Agreement or to the layoff of employees by a Contractor for any reasons in the exercise of its rights under this Agreement or a Schedule A Agreement.

18.3 Expiration of Local and Other Applicable Agreements: It is specifically agreed that there shall be no strike, picketing, refusal to work or other work stoppage or lockout as a result of the expiration of any local, regional or other applicable labor agreement having application at the Project and/or failure of the parties to that agreement to reach a new contract. In the event that any applicable Schedule A Agreement expires and the parties to that Schedule A Agreement fail to reach agreement on a new contract by the date of expiration, the Union(s) shall continue to provide employees to the Contractor(s) working on the Project under all the terms of the expired agreement until a new agreement is negotiated, at which time all terms and conditions of that new agreement shall be applied to Covered Work at the Project, except to the extent they conflict with any provision of this Agreement. In addition, if the new Schedule A

Agreement provides for retroactive wage or benefit increases, then the Contractor(s) shall, in accordance with the newly negotiated Schedule A Agreement, pay to its employees performing Covered Work at the Project during the hiatus between the effective dates of such labor agreements, an amount equal to any such retroactive wage and benefit increases established by and in accordance with the new Schedule A Agreement for such work performed. All parties agree that, except as set forth in the Schedule A Agreements, such affected Contractor(s) shall be solely responsible for any retroactive supplemental payments to its employees and Trust Funds to comply with newly negotiated wage and benefit increases. Nothing herein will prevent the Union(s) and Contractor(s) upon mutual agreement from deciding to use an interim agreement pending the final negotiations for a new Schedule A Agreement.

18.4 Non-Payment of Fringe Benefits and/or Payroll: Notwithstanding the provisions of this Agreement, it is agreed that the particular Union involved retains the right to withhold the services of its members (but not a right to picket) from a particular Contractor who fails to make required and timely payments to the Union's fringe benefit Trust Funds or fails to timely pay its weekly payroll. The Union(s) agree to give the Prime Employer and Contractor seventy-two (72) hours' notice prior to withholding labor under this Section for failure to make timely payment of Trust Fund contributions and twenty-four (24) hours' notice for failure to make weekly payroll or when paychecks are determined to be non-negotiable by a financial institution normally recognized to honor such paychecks, to enable the Prime Employer or Contractor to cure the deficiencies. The Prime Employer reserves the right to withdraw the contract and/or subcontract from a Contractor who is in default of its fringe benefit and/or payroll obligations and put such contract and/or subcontract or remainder thereof out for re-bid.

18.5 The Prime Employer or Contractor may elect to issue a joint check for the disputed delinquencies. Upon receipt, the Union(s) shall promptly order all employees to return to work, or, if within the 24-hour or 72-hour notice period as applicable, shall not withhold labor from the Contractor(s) with whom the Union(s) have a dispute over, respectively, payroll or trust fund contributions. The Union(s) and subject Contractor(s) agree to use their best efforts to resolve any dispute over trust fund contributions in a prompt and expeditious manner in order to minimize any disruption of work of the subject Contractor(s). This procedure does not diminish in any way the right of the Union(s) and/or Trust Funds to enforce their right to collect the alleged untimely payment(s) under the terms of the applicable Schedule A Agreement or Trust Fund provisions.

18.6 Expedited Arbitration Procedure: Any party to this Agreement shall institute the following procedure prior to initiating any other action at law or equity, when a breach of this Article XVIII is alleged to have occurred:

A. The party invoking this procedure shall contact the Prime Employer who shall provide notice to Robert Hirsch, Esq., who is the permanent arbitrator under this procedure, and to the parties alleged to be in violation of this Article within twenty-four (24) hours after receipt of notice from the party invoking this procedure. In the event that the permanent arbitrator is unavailable at any time, Barry Winograd shall be appointed the alternate, or if he is unavailable, then a selection shall be made from the list of arbitrators and following the arbitrator selection procedure set forth in Article XVII (Grievance and Arbitration Procedure). Notice to the arbitrator shall be by the most expeditious means available, with notices by email, and/or

telephone to the party alleged to be in violation, to the Council, and to the involved Union if a Union is alleged to be in violation.

B. The arbitrator shall hold a hearing within twenty-four (24) hours after receipt of the notice invoking the procedure. The arbitrator shall notify the parties of the place and time chosen for this hearing. Said hearing shall be completed in one session not to exceed twenty-four (24) hours unless otherwise agreed upon by all participating parties. A failure of any party or parties to attend said hearings shall not prevent the arbitration from proceeding, nor delay the hearing of evidence or the issuance of any award by the arbitrator.

C. The sole issue at the hearing shall be whether or not a violation of this Article XVIII has occurred. The arbitrator shall not consider any matter in justification, explanation or mitigation of such violation and shall not award damages except as set forth in Section 18.9 below. Damage issues are reserved for court proceedings, if any. The arbitrator's decision shall be issued in writing within three (3) hours after the close of the hearing and may be issued without an opinion. If any party desires a written opinion, one shall be issued within five (5) days but its issuance shall not delay compliance with or enforcement of the award. The requesting party shall be responsible to pay any additional cost associated with the written opinion. The arbitrator may order cessation of the violation of this Article XVIII and other appropriate relief and such award shall be served on all parties and the Prime Employer by hand or electronic mail.

18.7 Such award may be enforced by any Court of competent jurisdiction, in the following manner. Written notice of the filing of enforcement proceedings shall be served by hand or delivered by certified mail to the other party. In the event the prevailing party initiates a proceeding to obtain a temporary order enforcing the arbitrator's award, all parties waive the right to a hearing and agree that such proceedings may be ex parte. Such agreement does not waive any party's right to participate in a hearing for a final order of enforcement. Any order or orders enforcing the arbitrator's award shall be served on all parties by hand or delivered by certified mail.

18.8 Any practices, understandings, or agreements between the Contractors and Unions that are not specifically set forth in this Agreement or the applicable Schedule A Agreement(s) and that are inconsistent with and/or interfere with the above procedure are hereby waived by the parties to whom they accrue.

18.9 If the arbitrator determines that a violation of this Article XVIII has occurred, the breaching party shall, within eight (8) hours after the issuance of the decision, take all steps necessary to immediately cease such activities and return to work. If the breaching party does not cease such activities by the beginning of the next shift following the expiration of the eight (8) hour period after the arbitrator's issuance of the decision, then the breaching party shall pay the sum of \$10,000 per shift as liquidated damages to the Prime Employer until the breach is remedied. The arbitrator shall retain jurisdiction for the purpose of determining compliance with this obligation, and determining the amount of additional liquidated damages, if any; but such retention shall not prevent or delay judicial enforcement of the initial decision.

18.10 Any right created by statute or law governing arbitration proceedings inconsistent with the above procedure or which interferes with compliance are waived by the parties.

18.11 The fees and expenses of the arbitration shall be divided equally among the participating parties to the arbitration proceeding and each party shall bear its own attorneys' fees.

18.12 The Prime Employer and/or the Council, at their option, may participate in any proceeding initiated under this Article XVIII. However, the Prime Employer or Council shall not be responsible for fees and expenses under Article XVII or XVIII unless it initiates the procedure.

18.13 Should either the permanent or the alternate arbitrator listed above in subsection 18.6.A no longer work as a labor arbitrator, the Primary Employer and the Council shall mutually agree to a replacement.

ARTICLE XIX

WORK. ASSIGNMENTS AND JURISDICTIONAL DISPUTES

19.1 The assignment of Covered Work will be solely the responsibility of the Contractor(s) performing the work involved; and such work assignments will be in accordance with the Plan for the Settlement of the Jurisdictional Disputes in the Construction Industry (the "Plan") or any successor Plan.

19.2 All jurisdictional disputes on this Project between or among the Union(s) and the Contractor(s) parties to this Agreement, shall be settled and adjusted according to the present Plan established by the AFL-CIO Building and Construction Trades Department or any other plan or method of procedure that may be adopted in the future by the Building and Construction Trades Department. Decisions rendered shall be final, binding and conclusive on the Contractor(s) and Union(s) parties to this Agreement.

19.3 If a dispute arising under this Article involves the Northern California Carpenters Regional Council or any of its subordinate bodies, an Arbitrator shall be chosen by the procedures specified in Article V, Section 5 of the Plan from a list composed of John Kagel, Thomas Angelo, Robert Hirsch and Thomas Pagan, and the Arbitrator's hearing on the dispute shall be held at the offices of the California State Building and Construction Trades Council in Sacramento, California, within 14 days of the selection of the Arbitrator. All other procedures shall be as specified in the Plan.

19.4 All jurisdictional disputes shall be resolved without the occurrence of any strike, work stoppage, or slow-down of any nature, and the Contractor(s)' assignment shall be adhered to until the dispute is resolved. Individual employees violating this section shall be subject to immediate discharge. Each Contractor(s) will conduct a pre-job conference with the Council prior to commencing work. The Developer and Prime Employer will be advised in advance of all such conferences and may participate if they wish. Pre-job conferences for different Contractor(s) may be held together.

ARTICLE XX ASSIGNMENT AND SUCCESSORSHIP

20.1 This Agreement is and shall be binding upon (i) any successor to Developer or Prime Employer, whether by merger, consolidation, acquisition, or otherwise, and (ii) any person or, entity or assignee of Developer or Prime Employer that acquires all or any portion of Developer's or Prime Employer's right, title or interest in all or a portion of the Project or all or a portion of the Project Property whether by sale, lease or other full or partial transfer, as set forth in this Article XX. Accordingly, any agreement for (i) a sale, lease, assignment, or other transfer of all or a portion of Project or all or a portion of the Project Property by Developer or Prime Employer, or by its successors and assigns, and (ii) any agreement for a merger, acquisition, or consolidation including ownership or control of Developer or Prime Employer, or of its successors and assigns, shall include execution by the applicable person or entity ("Assuming Entity") of an express assumption of the obligations and undertakings of Developer or Prime Employer under this Agreement, including this Article XX, in the form set forth in Appendix C (the "Assignment and Assumption Agreement").

20.2 Within five (5) business days following the close of any transaction described in Section 20.1, above, Developer or Prime Employer, as applicable, shall provide the Council by certified or registered mail with written notice thereof an original Assignment and Assumption Agreement executed by Developer or Prime Employer and the Assuming Entity. Any sham transfer is a breach of this clause.

20.3 In the event of a breach of Section 20.1 above, the breaching party shall pay liquidated damages for each hour that Covered Work was performed by employees of contractors or subcontractors who are not signatory to this Agreement as follows: fifty percent (50%) of the Schedule A wage and benefit package (total wage package) of the appropriate craft to the qualified pension plan and fifty percent (50%) of the Schedule A wage and benefit package (total wage package) of the appropriate craft to the qualified health and welfare plan, of the Union(s) having jurisdiction over the Covered Work performed by the contractor(s) or subcontractor(s) not signatory to this Agreement. The Arbitrator may include an award of attorneys' fees to the Union, if it prevails, in any arbitration regarding the enforcement of the assignment and successorship provisions of this Agreement.

20.4 Upon execution and delivery of an original, executed Assignment and Assumption Agreement by an Assuming Entity pursuant to the requirements of this Article XX, and if the Developer or Prime Employer, or its successor or assign, is not in breach of this Agreement, then the Council shall: (i) release the Developer or Prime Employer from all obligations under this Agreement with respect to such portion of the Project, and (ii) execute and deliver the release attached as Exhibit 1 to Appendix C (the "Release"). References in this Agreement to "Developer" or "Prime Employer" shall be deemed to be the Assignee of the Assignment and Assumption Agreement with respect to such portion of the Project. The Unions agree that the Council may execute the Release on behalf of the Unions.

20.5 This Article shall be enforceable under the Grievance Procedure set forth in Article XVII.

20.6 This Agreement is and shall be binding upon any successor to the Council and/or any of the Unions whether by merger, consolidation, reorganization, transfer of affiliation or otherwise (including any successor to the craft jurisdiction of the Unions existing as of the Effective Date of this Agreement).

ARTICLE XXI

SAVINGS CLAUSE

21.1 The Parties agree that in the event any article, provision, clause, sentence or word of this Agreement is determined to be illegal or void as being in contravention of any applicable law, by a court of competent jurisdiction, the remainder of the Agreement shall remain in full force and effect. The parties further agree that if any article, provision, clause, sentence or word of this Agreement is determined to be illegal or void by a court of competent jurisdiction, the parties shall substitute, by mutual agreement, in its place and stead, an article, provision, clause, sentence or word which will meet the objections to its validity and which will be in accordance with the intent and purpose of the article, provision, clause, sentence or word in question.

21.2 The Parties also agree that in the event that a decision of a court of competent jurisdiction materially alters the terms of the Agreement such that the intent of the parties is defeated, then the entire Agreement shall be null and void.

ARTICLE XXII

MISCELLANEOUS PROVISIONS

22.1 Consistent with the Schedule A Agreements, no standby crews will be required on the Project unless requested by the applicable Contractor at the Contractor's sole discretion and non-working personnel will not be required. "Non-working" personnel shall be described as, but not limited to, delivery monitors/checkers, record keepers, lead mechanics or operators, temporary light and heat standby electricians, equipment maintenance personnel, personnel for temporary heat equipment utilizing automatic controls or self-regulated mechanisms in the proper and safe operation for their intended use, and additional supervisory personnel for similar activity, or multiple crews other than that necessary to productively perform the work as deemed by the Contractor. There shall be no non-working labor stewards.

22.2 This Agreement may be executed in counterparts, such that original signatures may appear on separate pages, and when bound together all necessary signatures shall constitute an original. Facsimile or emailed PDF signature pages transmitted to other Parties to this Agreement or their agent shall be deemed equivalent to an original signature.

22.3 Each of the persons signing this Agreement represents and warrants that such person has been duly authorized to sign this Agreement on behalf of the Party indicated, and each of the Parties signing this Agreement warrants and represents that such Party is legally authorized and entitled to enter into this Agreement.

22.4 The Parties acknowledge that this is a negotiated agreement, that they have had the opportunity to have this Agreement reviewed by their respective legal counsel, and that the terms and conditions of this Agreement are not to be construed against any party on the basis of such party's draftsmanship thereof.

22.5 The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

ARTICLE XXIII
TERM

23.1 The Agreement shall become effective upon the Effective Date and shall be included as a condition of the award of all Construction Contract(s) on the Project including tenant improvement Covered Work.

23.2 The Agreement shall continue in full force and effect until the completion of all Covered Work on the Project.

Dated:

DEVELOPER/PRIME EMPLOYER

By:  _____

ProLogis Mesquite, LLC

Name: CORY CHUNG

Title: VICE PRESIDENT, DEVELOPMENT MANAGER

Dated:

BUILDING & CONSTRUCTION TRADES COUNCIL OF ALAMEDA COUNTY, AFL-CIO

By: _____

Andreas Cluver, Secretary-Treasurer

[SIGNATURE PAGES TO FOLLOW]

CRAFT UNIONS AND DISTRICT COUNCILS OF THE BUILDING & CONSTRUCTION
TRADES COUNCIL OF ALAMEDA COUNTY, AFL-CIO

IN WITNESS HEREOF, the Union signatories below agree to be bound to this AGREEMENT.

Boilermakers Local #549 _____	Bricklayers & Allied Craftworkers Local #3 _____
District Council 16, International Union of Painters & Allied Trades, on behalf of itself and Auto & Marine Painters Local #1176, Carpet & Linoleum Layers Local #12, Glaziers, Architectural Metal & Glassworkers Local #169, and Painters & Tapers Local #3 _____	Electrical Workers Local #595 _____
Elevator Constructors Local #8 _____	Insulator Workers Local #16 _____
Iron Workers Local #378 _____	Northern California Carpenters Regional Council, on behalf of itself and Carpenters Local #713, Carpenters Local #2236, Lathers Local #68L, Millwrights Local #102, and Pile Drivers Local #34 _____

CRAFT UNIONS AND DISTRICT COUNCILS OF THE BUILDING & CONSTRUCTION
TRADES COUNCIL OF ALAMEDA COUNTY, AFL-CIO (cont.)

<p>Northern California District Council of Laborers, on behalf of itself and Laborers Local #886, Laborers Local #67 and Laborers Local #304</p> <hr/>	<p>Operating Engineers Local #3</p> <hr/>
<p>Plasterers Local #66</p> <hr/>	<p>Plasterers and Cement Masons Local #300</p> <hr/>
<p>Roofers & Waterproofers Local #81</p> <hr/>	<p>Sheet Metal Workers Local #104</p> <hr/>
<p>Sign & Display Local #510</p> <hr/>	<p>Sprinklerfitters Local #483</p> <hr/>
<p>Teamsters Local #853</p> <hr/>	<p>UA Local #342, Steamfitters, Pipefitters, Plumbers & Gas Fitters</p> <hr/>

CRAFT UNIONS AND DISTRICT COUNCILS OF THE BUILDING & CONSTRUCTION
TRADES COUNCIL OF ALAMEDA COUNTY, AFL-CIO (cont.)

UA Local #355, Underground Utility & Landscape Irrigation	
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ATTACHMENT A

Letter of Assent

The undersigned, as a Contractor for the EAST AND NEW CENTRAL GATEWAY OF THE OAKLAND ARMY BASE PROJECT (hereinafter "Project"), for and in consideration of the award to it of a contract to perform Covered Work on said Project and in further consideration of the mutual promises made in the Project Labor Agreement for the Project (hereinafter "Agreement"), a copy of which was received and is acknowledged, hereby:

Accepts and agrees to be bound by the terms and conditions of the Agreement, together with any and all amendments and supplements now existing or which are later made to said Agreement;

Certifies that it has no commitments or agreements which would preclude its full and complete compliance with the terms and conditions of said Agreement;

Agrees to secure from any Contractor(s), as defined in said Agreement, that is or becomes a subcontractor at any tier to it, and from any successors, a duly executed Letter of Assent in form identical to this document;

Subscribes to, adopts and agrees to be bound by the written terms of all applicable legally established trust agreements and plans including, but not limited to, Health and Welfare, Pension, Annuity, Vacation, Apprenticeship, Training and Retraining, pursuant to the appropriate craft agreement, as it may from time to time be amended, the detailed basis upon which contributions are to be made into, and benefits made out of, such Trust Funds, and hereby ratifies and accepts the trustees appointed by the parties to such Trust Funds, and agrees to execute a separate Subscription Agreement when such Trust Fund(s) require(s) such document(s).

This letter shall constitute a subscription agreement, to the extent of the terms of the letter.

CONTRACTOR/SUBCONTRACTOR: _____

Contractor State License Number or Motor Carrier (CA) Permit Number: _____

Name of Authorized Person (print): _____

Signature of Authorized Person: _____

Title of Authorized Person: _____

Telephone Number of Authorized Person: _____

Address of Authorized Person: _____

ATTACHMENT B

[Insert Project Map of East & New Central Gateway]

ATTACHMENT C

ASSIGNMENT AND ASSUMPTION AGREEMENT PROJECT LABOR AGREEMENT (East and New Central Gateway of the Oakland Army Base)

This ASSIGNMENT AND ASSUMPTION AGREEMENT (East and New Central Gateway of the Oakland Army Base) (this “Agreement”) is made as of _____, _____ (the “Effective Date”) by and between _____, a _____ [ASSIGNING ENTITY] (“Assignor”), and [ASSUMING ENTITY], a _____ (“Assignee”).

RECITALS

A. Assignor is party to that certain Project Labor Agreement (East and New Central Gateway of the Oakland Army Base) dated for reference purposes as of _____, 2016 (the “PLA”) with the Building and Construction Trades Council of Alameda County (the “Council”) and each of the Unions (as defined in the PLA), concerning East and New Central Gateway of the Oakland Army Base located in the City of Oakland, California (as more particularly described in the PLA, the “Project”).

B. Assignor desires to assign to Assignee all of its rights and obligations under the PLA [with respect to the portion of the Project Real Property described on Exhibit A attached hereto (the “Assignee Project Property”)] and to be released by the Unions, in accordance with Article XX of the PLA, from all of Assignor’s rights and obligations under the PLA [with respect to the Assignee Project Property].

C. Assignee desires to assume, for the benefit of the Unions, all rights and obligations of Assignor under the PLA [with respect to the Assignee Project Property].

AGREEMENTS

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which are hereby acknowledged and agreed, Assignor and Assignee agree as follows:

1. Assignor hereby assigns to Assignee all of Assignor’s right, title, and interest in, to and under the PLA [with respect to the Assignee Project Property], including all of Assignor’s rights and obligations thereunder [with respect thereto]. Assignor acknowledges that it has no further interest in the PLA [with respect to the Assignee Project Property], and that the Unions may treat the PLA as if it had been made by Assignee [with respect to the Assignee Project Property].

2. Assignee hereby assumes all of Assignor’s right, title, and interest in, to and under the PLA [with respect to the Assignee Project Property], including all of Assignor’s rights and obligations thereunder [with respect thereto]. Assignee agrees to perform and is able to perform, as a direct obligation to the Unions, all of the covenants, agreements and conditions contained in the PLA to be performed by Assignor [with respect to the Assignee Project Property].

3. Assignee expressly represents and warrants as follows:

i. it possesses a valid California general contractor's license, and is an employer primarily engaged in the building and construction industry;

ii. it will control labor relations on the Project [with respect to the Assignee Project Property] by assuming the obligations of the PLA to be performed by Assignor [with respect to the Assignee Project Property] and by requiring any purchaser of land and/or any contractor or subcontractor engaged in construction on the Project [with respect to the Assignee Project Property] to enter into the PLA in accordance with the terms thereof; all subject to the provisions of the PLA:

iii. subject to the Schedule A Agreements and the PLA, it will control and coordinate all construction work on the Project [with respect to the Assignee Project Property] by determining work scheduling, including start times and the necessity for and the times of shift work; by directly enforcing any drug and alcohol abuse policy that is agreed to by any contractor or subcontractor and the Unions; and otherwise directly removing any employee, whether employed directly or by any contractor or subcontractor, for breach of reasonable rules promulgated by Assignee or governing conduct on the job; and

iv. it shall have the right to order corrective action necessary to maintain reasonable and lawful standards for work place health and safety. Assignee shall act as the coordinator of construction work, participate in pre-job conferences and mark-up meetings, and, at its option, participate in the resolution of any disputes.

v. Assignee agrees, and by execution of Attachment 1 the Unions agree, that damages from the breach of the warranties, representations, and covenants in this Assumption Agreement would be unreasonably difficult, costly, inconvenient or impracticable to calculate and, accordingly, they agree to Liquidated Damages which bear a reasonable relationship to the actual harm suffered by the Unions and their members, as calculated pursuant to the methodology set forth in Section 20.3 of the PLA. If there is a breach of the warranties and representations of Assignee contained in this Assumption Agreement, and Covered Work is performed by a contractor or subcontractor that is not in compliance with the provisions of Article IV of the PLA, then Assignee shall pay Liquidated Damages, calculated pursuant to the methodology set forth in Section 20.3 of the PLA and to the entities described in Section 20.3 of the PLA, to compensate for the actual damages.

4. This Agreement is expressly conditioned upon the Council's execution on behalf of the Unions and delivery to Assignor of a release of Assignor's obligations under the PLA [with respect to the Assignee Project Property], which release shall be substantially in the form of Attachment 1.

5. This Agreement and all covenants and agreements contained herein shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

6. This Agreement shall be governed by and construed in accordance with the laws of the State of California, including all matters of construction, validity, performance and enforcement.

7. A dispute regarding the interpretation or enforcement of the provisions of this Agreement shall be subject to the grievance and arbitration procedures for the PLA as set forth in Article XVII. The prevailing party shall be entitled to its reasonable attorneys' fees and costs.

8. The address of Assignee for delivery of notices is:

[INSERT]

9. Assignor and Assignee each acknowledge that the Unions are third party beneficiaries to this Agreement and are entitled to rely upon and enforce the covenants and representations of Assignee and Assignor contained herein. Nothing contained in this Agreement, nor any act of the Unions, Assignor or Assignee, shall be interpreted or construed as creating any other relationship of third party beneficiary.

10. This Agreement shall not be amended, modified, supplemented or revised without the prior written consent of the Council on behalf of the Unions, which consent shall not be unreasonably withheld, conditioned or delayed.

11. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this Agreement attached thereto. Delivery of this Agreement may be effectuated by hand delivery, mail, overnight courier or electronic communication (including by PDF sent by electronic mail, facsimile or similar means of electronic communication). Any electronic signatures shall have the same legal effect as manual signatures.

12. This Agreement constitutes the entire agreement of Assignee and Assignor with respect to the matters set forth herein.

[13. All of the obligations of Assignor under the PLA that were not assigned to Assignee remain in full force and effect.]

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, Assignor and Assignee have caused this Agreement to be executed and do each hereby represent and warrant that their respective signatories whose signatures appear below have been and are on the Effective Date duly authorized by all necessary and appropriate action to execute this Agreement.

ASSIGNOR:

ASSIGNEE:

By: _____ By: _____

Its: _____ Its: _____

Dated: _____ Dated: _____

ATTACHMENT 1 to ATTACHMENT C

RELEASE OF LIABILITY
PROJECT LABOR AGREEMENT

(East and New Central Gateway of the Oakland Army Base)

This RELEASE OF LIABILITY (PROJECT LABOR AGREEMENT (East and New Central Gateway of the Oakland Army Base) (this “Release”) is made as of _____, 20__ [INSERT DATE OF ASSIGNMENT AND ASSUMPTION AGREEMENT] (the “Effective Date”) by the Building and Construction Trades Council of Alameda County (the “Council”), on behalf of itself and the Unions (as defined in the PLA).

A. Prologis Mesquite LLC (“Developer”), the Council and the Unions entered into that certain Project Labor Agreement (East and New Central Gateway of the Oakland Army Base) dated for reference purposes as of _____, 2016 (the “PLA”), concerning the East and New Central Gateway of the Oakland Army Base Project located in the City of Oakland, California (as more particularly described in the PLA, the “Project”). [Describe any subsequent assignments]

B. _____, a _____ (“Assignor”) and _____, a _____ (“Assignee”), have executed that certain Assignment and Assumption Agreement dated as of the Effective Date (the “Assignment and Assumption Agreement”), and such agreement is acceptable to the Unions.

C. In reliance upon the foregoing, including, but not limited to, the representations and warranties of Assignee contained in the Assignment and Assumption Agreement, the Unions each acknowledge and agree that the successorship criteria of Article XX of the PLA have been satisfied. Accordingly, the Unions do hereby, jointly and severally, release Assignor from all obligations and undertakings of the PLA [with respect to the Assignee Project Property].

[D. All obligations of Assignor under the PLA that were not assigned to Assignee under the Assignment and Assumption Agreement remain in full force and effect.]

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Unions have caused this Agreement to be executed on their behalf by the Council and the Council does hereby represent and warrant that the signatory whose signature appears below has been and is on the Effective Date duly authorized by all necessary and appropriate action to execute this Agreement on behalf of the Council and the Unions.

UNIONS:

Building and Construction Trades Council of Alameda County

By: _____

Name: _____

Title: _____

ATTACHMENT D

**PROPRIETARY MATERIAL HANDLING SYSTEM SIDE LETTER
PROJECT LABOR AGREEMENT
(East and New Central Gateway of the Oakland Army Base)**

This Proprietary Material Handling System Side Letter is made part of the Project Labor Agreement for the East and New Central Gateway of the Oakland Army Base (the “**PLA**”), by and between ProLogis Mesquite, LLC a California limited liability company (“**Developer** or “**Prime Employer**”) and the Building and Construction Trades Council of Alameda County, AFL-CIO (“**Council**”).

It is hereby agreed by and between the undersigned parties as follows:

This Side Letter applies only to work performed by or on behalf of the tenant on a proprietary automated material handling system (System) identified in advance at the Pre-Job Conference as being of a proprietary design, provided the Developer/Prime Employer can demonstrate at the Pre-Job Conference that the tenant has a history of utilizing only specified contractors to install the System, that the designated contractor is one of the tenant’s specified contractors, and that the System has a unique and customized design specific to the tenant. Such work may be performed by the contractor designated by the tenant in accordance with this Side Letter.

At least five (5) business days prior to the Pre-Job Conference, the Developer/Prime Employer on behalf of the tenant shall give notice to the Council and the Union(s) having traditional jurisdiction over such work that it is invoking this Side Letter, which notice shall describe the scope of work to be performed and the aspects of such work that will be performed by the contractor designated by the tenant.

For the installation of the System, the contractor designated by the tenant shall comply with the terms of the Master Agreement of the local Union having jurisdiction over such work, although it will not be required to become signatory to such Master Agreement, and shall execute a Letter of Assent to the PLA.

The contractor designated by the tenant may utilize “Core Employees” as defined below, together with workers from the hiring hall(s) of the Union(s) having traditional jurisdiction over such work, provided the following conditions have been met:

(1) A worker shall be considered a “Core Employee” for the purposes of this section if the worker meets all of the following qualifications:

(i) Possesses any licenses and/or certifications required by State or Federal law for the Project work to be performed;

(ii) Has worked a total of at least two thousand (2,000) hours in the construction

craft during the prior three (3) year period;

(iii) Has been on the designated contractor's active payroll, as applicable, for at least sixty (60) of the one hundred (100) business days prior to the contract award; and

(iv) Has the ability to perform safely the basic functions of the applicable trade.

(2) At the request of the Council or a Union signatory to the PLA, the Developer/Prime Employer shall cause the designated contractor to submit a Core Employee List to the requesting party and shall provide payroll records evidencing the worker's qualification as a Core Employee.

(3) The number of Core Employees on the Project shall be governed by the following referral procedures: One (1) worker shall be referred from the applicable hiring hall and then one (1) Core Employee shall be selected and referred from the hiring hall, and this process shall repeat until the employer's requirements are met or until such employer has hired five (5) Core Employees, whichever occurs first. Thereafter, all additional employees shall be hired exclusively from the applicable hiring hall list. In the event of a reduction-in-force or layoff, employees shall be reduced in reverse order and in the same ratio of Core Employees to hiring hall referrals as was applied in the initial hiring.

(4) The designated contractor shall be bound by and utilize the registration facilities and referral systems established or authorized by the PLA and the signatory Unions. The manufacturer or its designated contractor shall require all "Core Employees" to register with the appropriate hiring hall of the signatory Union prior to said employee's first day of employment at the Project site and to comply with the Union Security provisions contained in the PLA. The manufacturer or its designated contractor shall make all benefit fund contributions to the applicable Union benefit funds for each hour worked by a Core Employee.

(5) The designated contractor shall inform the applicable Union(s) of the name, address, worker craft classification and social security number of any Core Employee prior to the Core Employee's employment on the Project.

(6) Any entity signatory to a local, regional, and/or national collective bargaining agreement with Union(s) signatory to the PLA shall be bound to use the hiring hall provisions contained in the Master Agreement(s) of the affected Union(s), and nothing in this Side Letter shall be construed to supersede the hiring hall provisions of the Master Agreement(s) as they relate to such entities.

The parties acknowledge and agree that nothing in this Side Letter shall be construed to modify or otherwise affect any of the provisions in the PLA.