



May 29, 2018

Dear Neighbor,

Vulcan Materials Company (Vulcan) is committed to improving our operations at Val Vista, which is located off N. Val Vista Drive to the south and east of Lehi Crossing. Unfortunately, some neighbor experiences have not been representative of how we strive to conduct business. We understand your concerns.

As an overview, Val Vista includes three production operations:

- An Aggregates mining and processing: We dig (no blasting) and process sand, dirt, gravel and rock, essential construction materials.
- A Hot Mix Asphalt (HMA) batch plant: We process aggregates into the asphalt pavement that is used on roads and driveways.
- A Ready-Mix batch plant: Our tenant, CalPortland Company (CPC), produces concrete for building and construction, with regular nighttime production to supply active jobsites.

All three production operations make construction materials based on customer demand and therefore supply jobs at the time of the job. Although we maintain night-shift mechanics to service Vulcan equipment and plants, night production (making materials) at Val Vista has been and will continue to be mostly confined to CPC.

Although this facility has been in operation since 2001, years before the first homes were approved or built, and even though the operation has been in compliance with all laws and regulations and as such is considered by local, state and federal regulatory officials to be protective of public health and safety, we are committed to doing more – to better address the concerns expressed by some of our neighbors.

What's the plan? Our team has been working through many items, some of which will take time to address. We ask for your continued patience.

Our plan for Val Vista is to improve operations and continue supplying the local demand that continues to grow. We are actively working to:

- Better understand the experiences shared with us so that we can find solutions;
- Thoroughly and expeditiously review production systems and operations; and
- Implement adjustments to the operation wherever possible to do so.

In the meantime, we would like to share this progress report with you:

- Our team members have been visiting the Lehi Crossing neighborhood on a regular basis and we've been communicating with neighbors to better understand their experiences and concerns.
- People are beginning to use the Community Line (623-289-1966) and valvistacommunity@vmcmail.com.
- Maricopa County is sharing complaints and is providing helpful details.
- We are planning open house tours for June 28-30 that will offer Lehi Crossing neighbors and families the opportunity to learn about mining, geology and how we do what we do. Please keep an eye out for your invitation.

Regarding the HMA plant, we have brought in an outside technical team of engineers and experts to help evaluate the operation. They are in the process of identifying potential odor sources and factors in the plant and in the production process.

The team has installed multiple weather stations and will continue to monitor the operation to develop recommendations, including best practices for operations and maintenance, plant upgrades and new environmental controls.

The team is optimistic that there are options. We anticipate their work to be complete in about 45 days.

In the meantime, effective May 5, 2018, we took several actions to help minimize potential odor impacts during the study and development period. We have voluntarily:

- Reduced HMA production, meaning we'll be making less material during this period.
- Suspended producing HMA mixes with recycled rubber blends. Why? The rubber additive, which is an Arizona Department of Transportation requirement for certain jobs, may potentially be a contributing odor factor in the current plant design.
- Shifted deliveries from our HMA liquid asphalt and oil suppliers from early mornings, which started at 4 a.m., to daylight hours.
- Continued using (since late 2017) Ecosorb, a product designed to control odors, not mask them.

We have also received questions and feedback about the general operations of the site. Here's an update on that front:

- Although we are permitted to operate 24/7, in November 2017, we moved the start time of the aggregate crushing and screening plant to 6 a.m., instead of 3 a.m. Given construction project timing, there will continue to be night activity, including the work of night shift mechanics and production at the CPC operation.
- After evaluating night traffic and work patterns, we have implemented a Nighttime Work Policy that gives Vulcan and CPC employees new guidance for work during 7 p.m. to 7 a.m. This new policy went into effect on May 8 and includes the following actions aimed at reducing traffic and noise:
 - Equipment operators now service their front-end loaders and equipment prior to the beginning of their shift.
 - Travel along the North and West property lines is limited and cones now block areas from traffic.
 - In the event of night HMA work, the traffic will enter and exit using the Southern gate and will not travel through the aggregate yard or along the North and West property line.
 - Service trucks and water trucks will travel all areas, but only as absolutely necessary for business and permit requirements.
 - We have alerted employees to do everything within their power to limit the noise along the North and West property lines including the shop area.
 - CPC traffic will enter and exit through the Southern entrance road.
 - Mixer trucks are now prohibited from traveling through the aggregate yard or along the southwest area of the property including the west property line.
 - CPC mixer truck drum washout will use lower engine speeds.
 - No high-decibel activities will be conducted on site without prior approval from Vulcan, which eliminates evening mixer truck drum chipping.
- We are replacing the cone crusher on the aggregate (sand and gravel) to help reduce noise. The project is expected to be complete this fall.
- We will continue to use new alternative back-up alarms on some on-site mobile equipment to reduce audible impacts from alarm sounds and beeping.

- We will continue to manage stockpile patterns of raw materials to reduce sound from reaching the property line wherever possible.
- We will continue to use upgraded spray bars on stationary equipment to help with dust suppression.

Regarding William Lyon Homes, Vulcan inherited a settlement agreement between the former owner of Val Vista (New West) and the developer. All parties must abide by that agreement. We are open to talking with the County and City about steps Lyon Homes can take on their side of the fence line, which includes the wall and buffer area.

We thank you for your patience. We will continue to listen and keep you informed. Although the area around Val Vista has changed dramatically since 2001, we remain committed to working constructively with our neighbors and the community.

In the meantime, if you have a question, or if you have general or real-time feedback to share, please contact us at 623-289-1966 or valvistacommunity@vmcmail.com.

Sincerely,

Val Vista Team

PS: Save the date for the Val Vista Open House June 28-30. Tours will be conducted daily. Look for an invite soon.