

March 4, 2010

The Honorable Mayor Chad Mayes
and Town Council members
Town of Yucca Valley
57090 Twenty-nine Palms Highway
Yucca Valley, California 92284

Re: **Negotiated Resolution of consolidated civil action *Coalition for Environmental Integrity in Yucca Valley, Center for Biological Diversity v. Town of Yucca Valley* (San Bernardino County Superior Court, Case No.: CIVSS 810232)
Walmart Supercenter, Yucca Valley Retail Specific Plan**

Dear Honorable Mayor Mayes and Town Council members:

Petitioners in the above-captioned case, Coalition for Environmental Integrity in Yucca Valley (“CEIYV”) and the Center for Biological Diversity (“CBD”), have, by separate agreement (“Agreement”), agreed to dismiss the order granting their petitions under the California Environmental Quality Act (“CEQA”) challenging a proposed Walmart Supercenter, also referred to as the Yucca Valley Retail Specific Plan (the “Yucca Valley store”), located at State Highway 62 and Avalon Avenue in the Town of Yucca Valley, California. The specific terms and conditions of the settlement are a compromise and the parties have agreed to keep the Agreement itself confidential. However, we are pleased to disclose publicly the major substantive terms of the resolution.

CEIYV, CBD, and Wal-Mart Stores, Inc., (Walmart) recognize the importance of reducing greenhouse gas emissions. Walmart is proud of its ongoing efforts to reduce the carbon and other greenhouse gas emissions associated with its operations. To further this shared objective, CEIYV and CBD have dismissed the order granting their petitions in exchange for, among other things, Walmart’s agreement to take additional renewable energy and sustainability measures that would address the greenhouse gas emissions from the major aspects of building operation, including electricity and refrigerant use. Some of these measures may not be appropriate at every location, but the information gained from the Yucca Valley store may lead to broader application. Actions undertaken pursuant to the Agreement include:

- Installing at least 250 kilowatts of roof-top solar panels (or similar technology) at a Walmart facility in California, with first priority given to the Yucca Valley store;
- Installing a second roof-top solar-energy facility of at least 250 kilowatts at a location in California;
- Incorporating additional high efficiency and sustainability measures into the design of the Yucca Valley store, including but not limited to:

- Hybrid design air handling units that incorporate evaporative cooling and other cooling and heat recovery mechanisms;
 - Integrated, water based system designed to make use of refrigeration waste heat by circulating it back into the building;
 - Secondary loop, CO₂/Glycol refrigeration system;
 - Water source heat pumps integrated with high efficiency air cooled rooftop air conditioners;
 - Centralized energy management systems to monitor and control energy usage, analyze refrigeration temperatures, observe HVAC and lighting performance, and adjust system levels to minimize energy usage;
 - LED lighting in refrigerated cases with doors, produce and jewelry cases and restrooms;
 - A comprehensive recycling program, including programs to donate, reduce, reuse, recycle and properly divert materials such as fixtures, cardboard and plastic bales, apparel and organics;
 - Subject to City approval, LED lighting in the parking lot; and
- Further reducing greenhouse gas emissions through implementation of an enhanced refrigeration audit and improvement program to maximize efficiencies related to the use of refrigerants at other Walmart facilities in California.

In addition, CEIYV, CBD and Walmart recognize the values of preserving sensitive habitat as well as preserving and promoting economic vitality and growth within the Town's retail sector. To further these shared values, the parties have agreed that:

- Walmart will contribute \$120,000 to the Mojave Desert Land Trust for land conservation in the Morongo Basin; and
- A mutually agreeable consultant will be retained to prepare a "Retail Sector Strategies Report" to assess the Town's retail sector and recommend measures to proactively preserve and promote economic vitality and growth within it.

Finally, believing that the Agreement makes substantial progress toward eliminating the Yucca Valley store's greenhouse gas emissions, CEIYV and CBD have agreed not to object to, or disrupt, the opening of the Walmart Yucca Valley store, subject to one exception. The Agreement acknowledges CEIYV's right, if it so chooses, to endorse an initiative that restricts or prohibits the development of a new "discount superstore" in the Town.

On behalf of all the parties, we are pleased to inform the Town of this Agreement and the resolution of the litigation, which we all agree are in the best interests of the Town, its residents, and the environment.

Sincerely,



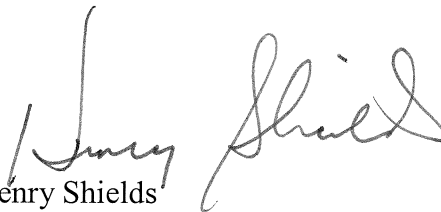
Matthew Vespa
Authorized Representative
CENTER FOR BIOLOGICAL DIVERSITY



Name *John Clarke*
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WAL-MART STORES, INC.



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