

February 16, 2010

The Honorable Ronald O. Loveridge  
and City Council members  
City of Riverside  
3900 Main Street  
Riverside, California 92522

Re: **Negotiated Resolution of *Riverside Citizens for Smart Growth v. City of Riverside* (Fourth District Court of Appeal, Division Two, Court Case No.: E047587) Walmart Supercenter at Canyon Crossings**

Dear Mayor Loveridge and City Council members:

Petitioner in the above-captioned case, Riverside Citizens for Smart Growth (“RCSG”), has, by separate agreement (“Agreement”), agreed to dismiss its appeal of the denial of its petition under the California Environmental Quality Act (“CEQA”) challenging the Walmart Supercenter at Canyon Crossings (the “Riverside Store”), located at Valley Springs Parkway and Corporate Center Place in the City of Riverside, 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.

RCSG 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, RCSG has dismissed its appeal 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. Some of these measures may not be appropriate at every location, but the information gained from the Riverside 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 Riverside store;
- Incorporating additional high efficiency and sustainability measures into the design of the Riverside 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, CO<sub>2</sub>/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; and
  - Subject to City approval, LED lighting in the parking lot.
- 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 existing Walmart stores in California.

Believing that the Agreement makes substantial progress toward eliminating the Riverside store's greenhouse gas emissions, RCSG has agreed not to object to, or disrupt, the opening of the Walmart Riverside store.

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

Sincerely,



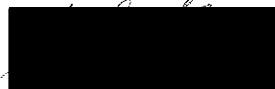
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