

**MARE ISLAND NAVAL SHIPYARD  
RESTORATION ADVISORY BOARD (RAB) MEETING MINUTES  
Held August 31, 2000**

**Welcome and Introductions:**

The August 2000 meeting of the Restoration Advisory Board (RAB) was called to order at 7:05 p.m. by Myrna Hayes, Community Co-Chair and representative of Save the San Pablo Baylands. Thirteen (13) RAB members, fifteen (15) guests and community members, four (4) RAB support and community relations staff from Gutierrez-Palmenberg, Inc. (GPI), and one (1) recorder were present.

At the time of introductions, the following were present. RAB members in attendance:

- Ms. Myrna Hayes
- Mr. Jerry Dunaway
- Mr. Jim O'Louglin
- Mr. Ken Browne
- Ms. Diana Krevsky
- Mr. Jim Haas
- Mr. Ken Barden
- Ms. Cynthia Marquez
- Mr. Adam Chavez
- Mr. Al Illif
- Mr. Ken Kloc
- Mr. John Cerini
- Ms. Emily Roth

Community Members and Guests in attendance:

- Mr. Bill Moore
- Ms. Carla Duncan
- Ms. Jill Benson
- Mr. John Thompson
- Mr. Phil Schone  
(*phonetic*)
- Mr. Duane Rolefson
- Mr. Mike Foster
- Ms. Carolyn Hunter
- Mr. David Cassity
- Mr. Dick Logar
- Mr. Lee Saunders
- Mr. Tom Pinard
- Mr. Jim Davies
- Mr. Cris Jespersion
- Mr. Larry Maggini

RAB support from GPI:

- Mr. Rolf Estela
- Ms. Kathleen Ellis
- Mr. Jack Clemes
- Ms. Vila-Sheree Germany

Recorder: Ms. Kathy Langstaff

Ms. Myrna Hayes - Good evening. My name is Myrna Hayes, and I'm the community co-chair of the Mare Island Restoration Advisory Board. And on behalf of the community, which for Mare Island actually is Vallejo, Benicia, Fairfield, Rodeo, Crockett, Vacaville, Napa, Petaluma—communities from all around Mare Island were affected by its closure—so on behalf of those communities, I'd like to welcome folks who are new to our RAB meetings here this evening and also apologize for what you probably thought was another infamous Vallejo action, but this is actually educational, for the community to learn what cops do and robbers and firefighters and people like that. So they also pilfered all of our

tables, so—and John wants me to let you know it wasn't him. He didn't have anything to do with that. He's Mare Island and—

*(The RAB, community members, and other guests introduced themselves.)*

Well, welcome everyone, and especially to you, Mr. Logar. Just think, you could be up here giving me a bad time from the microphone instead of next to me with your elbow. Welcome back.

Mr. Dick Logar - After six months, I'm cured.

Ms. Myrna Hayes - Oh, you're cured after six months. Well, it's really a wonderful recovery. Maybe I'll be huddling around you after the break trying to find out how that happens.

*[to Mr. Jerry Dunaway:]* You want to do the agenda change and introduce the first presentation?

**Presentation:**

Mr. Jerry Dunaway - Thank you, Myrna. Again, Jerry Dunaway, the Navy co-chair, and we have a change in the agenda. We're gonna switch the presentations that are listed under 7:05 for early transfer. We're gonna have Jill Bensen of Lennar, Mare Island, give their presentation first, followed by Jim Davies with Legacy. So if I could, I'll introduce Jill Bensen up, and we'll start the presentation.

And just for a little background on early transfer, for some who don't know, we have some early-transfer proposals from the city to the Navy that we're currently evaluating, and we're doing these presentations to educate the RAB members and to educate the public so that they are aware of what is being discussed at this moment. We have one more developer, if you will, that is not presenting tonight due to time constraints, and they will be on the agenda for the September RAB meeting.

One change that's being proposed that we can discuss during the second hour is, due to scheduling, they would like to move the RAB meeting for September up one week, and I believe that's September 21st. And so we'll discuss that during the second hour, but something to think about.

But for now, why don't we give our attention to Jill Bensen, and we'll hear about Lennar's proposal for early transfer.

Ms. Jill Bensen - Whenever I get a microphone, I want to say, "Is everybody ready to rumble?" for some reason. I won't do that. I'm Jill Bensen with CH2M Hill. We're an

environmental consulting firm, international firm, and we've been working with Lennar for about three years. We're part of the Lennar team that was originally selected as the master developer for Mare Island, and we've been working fairly seriously for about the last six to eight months on an early-transfer proposal to the Navy for Lennar's portion of the island, and what I'm here to present to you is what that proposal consists of.

And what I've done is put together a presentation that really consists of two parts. The first part is, what is Lennar's early-transfer proposal? We want to talk about why we're doing this, where, what, who, how, when, pretty much touch on all the details of what we're planning to do. And then, secondly, I wanted to touch on some topics that I thought might be of special interest to the RAB in particular, and what I've selected here is site-access control and security, public involvement, and our regulatory relationship that's been developing over time. And so as we go through the presentation, we'll touch on each of those.

But first I wanted to remind everybody of what the standard property-transfer process is with a BRAC facility, and it's a typical FOST, is what we call it, finding of suitability to transfer, and essentially what happens there is the Navy cleans up the island through traditional cleanup contract methods. Tetra Tech has been doing a great job. IT is out at the island as the BRAC contractor. And when the Navy is finished cleaning up, they transfer the title through to the city, and then it's transferred on to the appropriate developer, and in this case the developer is Lennar.

So why are we thinking of pursuing early transfer? First, Lennar believes that the early transfer's the only realistic opportunity to meeting the original development schedules. There have been significant delays due to budget cuts and other issues that have caused the schedule to be drawn out longer than what is originally intended, and Lennar would like to get back on the original schedule, and they see early transfer as the only real opportunity to have that happen.

Secondly, it offers an opportunity for greater control over the timing and the nature of the development activities and so that the developing can be phased along with the cleanup and progression across the island; and thirdly, it's an opportunity for cost savings by integrating development with the cleanup.

Lennar plans to transfer approximately 700 acres of property and build about 1,400 dwelling units and, in the process, create 6,700 jobs. The red outline represents the approximate area that Lennar will be developing. It's not necessarily the area that Lennar will own, but it's the area that they plan to develop, and we'll talk a little bit more in a second about the difference between owning and developing.

The current proposal for transfer is for the Navy to pass title and environmental responsibility through the ESCA before the Navy determines that the cleanup is complete, and that would pass through the city and on to Lennar Mare Island, who would hold title to the property and then would pass the environmental responsibility, through the ESCA

terms and conditions, on to CH2M Hill, who would assume responsibility for the ESCA and conduct the cleanup under a guaranteed-fixed-price contract. And I'm going to come back in a little bit and talk about what does that mean to have a guaranteed-fixed contract and how does that work in a situation like this.

As I mentioned earlier, the footprint of title transfer is not the same as the footprint of the ESCA's environmental-responsibility transfer, and in the case of Lennar's property and planned development, there are some exceptions here, and I wanted to point those out.

First of all, the green area, which represents the primary portion of the developed -- Lennar's development property, we plan to transfer both the title and the environmental responsibility through the city to Lennar under the—the bubbles that I just showed you.

For the blue area, down in the far right-hand corner—that's Reuse Area 10—that property will never be owned by Lennar. The plan for that property is to go to State Lands, but there are agreements in process for Lennar to develop that property, and because Lennar won't own it and it's one of the areas that will be developed later on in the process, we plan to leave that portion of this property out of the early-transfer process and leave it in the Navy's hands to follow the standard process for now.

The yellow area, that's a little strip of property that runs all the way along Mare Island Strait and includes the dry dock areas, is basically a setback of about 50 to 84 feet. The plan for that property is also to be owned by State Lands and leased back to the city and then back to Lennar, and the plan for that property is for the—we've asked for the Navy to hold title to that setback but to transfer responsibility for cleanup of that property through the city on to Lennar.

And part of the reason for that is we've got about three IR sites that are located up in the far side there, right along the skinny little strip, where there's some groundwater contamination that either is known or might have impacted that setback area, and it would be very difficult to clean up a portion of the groundwater plume. The source we believe comes from an area that's on Lennar's property, and it just makes sense for Lennar to go ahead and clean that up. And so we're proposing to transfer the responsibility for cleanup of the yellow property, but have the Navy hold the title role that cleanup is performed, and once the cleanup is complete, then we would transfer title to the city through State Lands, who would lease it back to the city, who would lease it back to Lennar for development.

Lastly, there's a pink area here which is—there's a pink area called IR 01, which is an area where we've had questions about data gaps, and we've been studying some information and working closely with the Navy on understanding the site conditions, and we're still trying to determine what to do with this area. It appears that it looks like it will become green very soon, that we think we have enough information to move forward with transferring the environmental responsibility and the title for that area as well.

It's just at the time we put this together we were still working on that and we didn't want to make it a commitment that that was indeed the case, but it's looking positive. So transfer of environmental responsibility via the ESCA, what exactly does that mean or what do we mean when we say that?

The environmental responsibility that we propose to transfer to Lennar through this process is basically the responsibility to clean up the 31 installation restoration, the IR program sites, that are located on Lennar property or within Lennar's area that we just described. There are about 84 underground storage tank sites that need closure. We will also be responsible for the four utility pipeline systems consisting of the storm water, sanitary, industrial waste, and fuel distribution line. And then we'll also be transferring the ongoing compliance programs, which include asbestos, lead-based paint, and the PCB program.

We do, however, propose that certain responsibilities remain with the Navy, and they include ordnance-related materials with one minor exception. We're proposing that the Marine Corps rifle range be transferred to be cleaned up by Lennar and CH2M Hill, but any other ordnance-related issues on Lennar's portion of the island would remain with the Navy. And we believe that there is only one area that has suspected ordnance issues that would need to be cleared, and that's in the DRMO area of IR O1, and that's part of why we were discussing IR O1 and why it was still pink on the earlier map.

We also are proposing that responsibility for radioactive materials remain with the Navy. We don't think there are any on our property, we don't know of any, but if any were ever encountered, we would propose that the Navy would still be responsible for that.

Likewise, sediments, wetlands, and offshore materials, we have little to no areas that include this, but we're proposing that that responsibility, if there are any impacts for those materials in areas, that that would remain with the Navy.

Natural resource damages that are caused by past Navy actions would be the responsibility of the Navy, and then we're currently negotiating responsibility for what we call unknown site conditions, things we just don't know about right now but we might encounter during development, and we're negotiating through this process to see if that's a responsibility that we should take on or is it something that the Navy should retain, and we're in the process of sorting that out. We don't know that answer for you today.

Next is the schedule. I'd like to talk about the negotiation schedule and process, and also our planned-project-implementation schedule. The Navy, the city, and all three developers had a kickoff meeting on May 17th to kind of start the negotiation process for everyone out at Mare Island, and since then, we've had eight subsequent weekly meetings. The first four were Navy and Lennar technical teams to establish a common scope of work and make sure that, when we were referring to a number or a site, that we were both talking about the same number and site and the same issue, and make sure that we were

understanding the site conditions and had a common—a common basis of our negotiation for just the technical work and what it would cost to perform that work.

The last four meetings have been focused between the Navy, the city, and Lennar to negotiate the price of what this would cost, and that process is still going—ongoing. There will be additional meetings in the future. There have been subsequent Navy, city, developers meetings, again with all three developers. These are progress meetings that are preliminarily held to coordinate amongst the developers and look at what each other are doing and making sure that we're working as closely together as we can. We believe that the draft finding of suitability for early transfer, the FOSET document, would be issued for public review and comment in early September. That's what we would like to see happen.

The DTSC consent agreement and the regional water quality control board order should be ready for signature near the end of September. We're currently negotiating this with all three regulators. EPA, Emily, has been helping us as well. And then a covenant deferral request, the CDR package, is scheduled for delivery to the governor's office in early November. So we're still targeting that schedule that we laid out in several other forums.

Implementation. Once early transfer takes place for the Lennar portion of the island, the CH2M Hill ESCA work, the environmental work that will be conducted for Lennar, we're scheduling to complete that within five years. We would like to be off the island and have it all prepared and ready for Lennar's work within five years of our start date, and that will get us back on the original schedule that Lennar was planning on following.

The site investigation and the engineering tasks will be primarily loaded into the first 24 months, the first two years of the process, and the reason for that is, if there's cleanup required or an agency review, that'll be drawn out over a longer period of time on the second half of the performance period.

Remedial construction tasks are scheduled to begin as soon as six to nine months after the start date. We've been thinking about how best to bundle and sequence the work across the Lennar property out at Mare Island, and we're working with the regulators to establish interim milestones within that five-year window, and we're looking at sites that pose a greater risk or exposure concern and putting those as a higher priority on our action-item list. We're looking at Lennar's development plan in sequencing and scheduling, and clearly one of the advantages of early transfer is to sequence the cleanup work with the development plans that are in place.

And lastly, we're looking at the time required to obtain regulatory closure for a given site, and we're factoring all of these three pieces together to come up with a package that will flow in a way that will help the regulators do their job and not overload them all at one time, and also try to help Lennar stay on track with their development schedule and development plans.

So how does the guaranteed-fix-price contract work. I said earlier that Lennar Mare Island would hold title to the property but they would pass the environmental responsibility, which is described in the ESCA, on to CH2M Hill, who will perform the work under a guarantee-fixed-price contract; and essentially what that means is that CH2M Hill will agree to perform a specific scope of work for a specific price, a set price, a fixed price, plus there's a very complicated and also a very expensive insurance package to pay for work that's required but is not included in CH2M Hill's specific scope of work.

And these are sort of the unknown issues, the plume is bigger than we thought it was or there was more of a certain contaminant than we thought we were gonna find or there's a new contaminant that we didn't know we were going to find. Things that are basically unknown right now would be covered by this insurance package.

The insurance package also covers long-term liability on exposure risks. It's a very complicated new type of insurance that has been out for about five years. It's been applied on a number of other military facilities. CH2M Hill recently won the Charleston guarantee-fixed-price contract and is actually doing this type of work for the Navy, and so we're familiar with how this works and how the insurance packages come together to make these projects successful.

So moving on to topics that I thought might be of interest to the RAB. The first is site security control and access. The FOSET will come out soon for public review and comment, and it sets forth a section, notices, covenants, easements, and use restrictions, that are required to protect human health and the environment while the cleanup is being performed. So there's some very specific language in the FOSET that lays out how these will be accomplished and what guidelines we'll have to perform our work within.

Secondly, the Lennar-CH2M Hill team will work closely with the regulators to review the adequacy of existing signage, fencing, and other site access and security measures, and make sure that the agencies are comfortable with the site control that's in place.

Public involvement: our team plans to be an active participant in the RABs. I hope to see many of you for many years to come, and our team also plans to maintain a complete on-site library for both the regulators and the community's use.

Partnering with the regulators: we've held many meetings. Many phone calls have been conducted over the past six months with all three agencies: Chip at DTSC, Michael over at the Regional Board, and Emily at EPA. And the purpose for that was to better understand site conditions and the regulators' concerns and expectations at the property. It's real important for us to know what standards we're gonna be held to and what we need to do to get closure on the site, and we've been working closely with them to really understand that better.

We're currently working on the consent agreement/order, and that's—we have had two meetings so far, and there will be subsequent meetings to negotiate that agreement. Our

goal for the Lennar-CH2M Hill goal is to prepare the site for development as quickly as we possibly can, and one way of doing that is to work with the regulators to identify a way—things that we can do to make their jobs easier, and we've been having conversations with them about what can we do, how can we work with you so that you can do your job better and faster and keep this process moving.

And that's the end of my presentation.

Questions?

**Public Comment Period:**

Mr. Jerry Dunaway - If anyone has questions, including the public, there is an audience microphone, as you can see, in the center aisle there. But if anyone from the RAB has questions, and from the audience, feel free to ask. This is the moment to do that.

Q. Mr. Ken Kloc - I had a question about unknown site conditions. In one of your slides you mentioned that the responsibility for unknown conditions was currently under negotiations, and in the—one of the slides following, you mentioned that much of the unknown aspect is going to be covered in the insurance policy. So could you go into a little more detail on that? And also address for me, just because I'm not clear on this, the—how this relates to the CERCLA covenant.

A. Ms. Jill Bensen - Okay. Unknowns. There are two different kinds of unknowns. One is you have an existing condition and you think it's of a certain size, for example, and you find out later that it's bigger than you thought. That is covered by the insurance policy for our work.

The other type of unknown is you find something that you didn't know was there and no one knew was there, and that could be covered by the insurance policy. Right now it's our preference to have that covered by the insurance policy so that we can clean it up and just move on. I believe that the Navy also has a preference for that, and we're working on the negotiation of how that would work out. And so it's our intent to take on that unknown site condition as well under our insurance policy. So that's the unknown piece. As far as the CERCLA covenant, maybe I'll let Jerry answer that question.

A. Mr. Jerry Dunaway - Ken, you'll remember last month that we went over kind of the process of how early transfer works. And the first key document is called the covenant deferral request, the CDR, and what that request is all about is it comes from the Navy, and it goes directly to the governor for Mare Island's case, and the Navy requests from the governor to defer our covenant under CERCLA.

And what that covenant is, for everyone's knowledge, is that a military base is regulated under CERCLA or Superfund, so that we have to guarantee, we have to issue our warranty, when all remedial actions are complete, we can transfer the property.

The concept with early transfer is that we are deferring us making that warranty. In other words, we obviously haven't cleaned up the sites yet, so we defer that covenant. After the early-transfer recipient, in this case CH2M Hill with Lennar, they complete their work, the Navy comes back in and reviews all that work and basically uses all the work that they've done and we do that CERCLA warranty. We issue that warranty that all response actions have been complete. And, of course, we do that after all of the actions on the base are complete, not just for the Lennar portion. Does that help answer your question?

Mr. Ken Kloc - Yeah. But I just—I guess the particular aspect of the covenant that I wanted to hear about was, let's say -- and maybe it's just because I don't know enough about these insurance policies, but let's say that there is something, some unknown in the future that the insurance policy doesn't cover. So then the way I understand it, the Navy would be responsible to step in under the covenant and pay for whatever unknown—Ms. Jill Bensen - That's my understanding as well. And, in fact, the insurance company is willing to cover unknowns to a certain ceiling, and if anything goes beyond that, it's considered catastrophic, and it would be a true catastrophic event or unknown that no one really could have anticipated, and that would revert back to the Navy.

Mr. Jerry Dunaway - That's part of the negotiations we're dealing with on the insurance portion of the early-transfer deal here with Lennar. And even in, say, the worst situations, if Lennar went bankrupt and—and they didn't finish their work, the Navy is still ultimately responsible for cleanup through the entire process, and we retain that right through the FOSET, through the ESCA, and that is part of early-transfer law, that that's something we just don't—we can't sell that. We can't give it away. We're ultimately responsible at all times.

Q. Mr. Ken Barden - Ken Barden, community member, Vallejo. In reference to CDR, covenant deferral requests, it says "package scheduled for delivery to governor in early November." Now, I may be naive about this, but what does he do? Does he sign off on it? Does he say, "Yes, I approve the CDR," "No, I don't approve the CDR," "Yes, I approve part of it," "No, I don't approve part of it"? Exactly how does that work?

A. Ms. Jill Bensen - The expectation is that the governor would sign the CDR, which basically puts in place certain assurances. And there's about, I think seven or eight of them, and if Gordon Hardy, Lennar's attorney, were here, he could tell you each and every one. But my understanding is that they boil down to two basic issues, and those assurances are that the site will be cleaned up and the cleanup will not be delayed, and secondly, that human health and the environment will be protected during the cleanup process. And that's the assurance that the governor agrees to or approves when he signs the CDR that defers the covenant for cleanup. Is that an accurate way to describe it?

A. Mr. Dunaway - Yes, that is accurate. And I think the real—the real question may be, how does the governor know what he's signing? H—he will use DTSC. Chip will be talking to Gray Davis, and he will advise Gray Davis as to whether he'll sign it or not, and that's what we mean by, in Mare Island's case, it goes to the governor, because Mare Island is a non-National Priorities List site. These types of sites require that early-transfer documents go to that state's governor, and that governor then uses their environmental resources, in this case, state EPA.

Q. Ms. Cynthia Marquez - My name is Cynthia Marquez, community member of Vallejo. Just like Ken, I'm scared about the unknowns in this proposal, and one of the unknowns that I'm scared about, aside from the unknown site conditions and unknown insurance coverage, would be the—your reasons for a decision to pursue early transfer.

No. 3, it says opportunity for cost savings by integrating development and cleanup. Earlier you said that there have been budget cuts that caused the delay in development, and how sure are we that there will be no budget cuts that would now result in a tradeoff in the development and cleanup?

Also—'cause it's related. And also I noticed that you said many meetings and calls are conducted over the past six months with DTSC and EPA. There is a transition reuse committee of the RAB, and I'm wondering, would we, you know, have some sense of what's happening at those meetings? Thank you.

A. Ms. Jill Bensen - Okay. The first question, I may have misspoke, but what I intended to say was that the budget cuts were on the Navy's side, which is why the FOST process has been delayed, one of—a couple of reasons. And that's one of the objectives for Lennar, is to expedite the cleanup. And so if the early transfer takes place, the funding will be put in place to—to go with the Environmental Services Cooperative Agreement and allow that cleanup to happen on a—on a schedule that Lennar and the agencies would drive, not—that would be driven by Navy funding over time.

The second question, I didn't quite understand, so I apologize.

Q. Ms. Cynthia Marquez - Yeah, you have meetings between you and the EPA. Could we—could members of the transition reuse committee be in those meetings or at least have some sense of what's happening in those meetings?

A. Ms. Jill Bensen - There have been a few meetings with the Regional Board and with DTSC, and a couple with EPA, and the initial meetings were primarily for us to understand their concerns at the site and their understanding of the site conditions. Chip has been working on this property for a long time. He's a tremendous technical resource to us, and it was to help us better understand the whole picture so that we knew what we were getting into and also to understand what the requirements would be that we would have to clean up to. So the initial meetings and phone calls were mainly information transfer for our technical work.

We're now meeting with the regulators to negotiate the consent agreement and the order, and that process has just started, and I don't know if it's open to other members.

C. Mr. Jerry Dunaway - I might make a recommendation, that we are looking at a somewhat successful early transfer here, that possibly Lennar may sit with the transition reuse focus group and—and maybe have a more intimate discussion about questions and concerns.

Ms. Jill Bensen - I can certainly take that back to their team and ask them what—what they think of that.

Mr. Cip Gribble - My name is Chip Gribble from—I'm the representative from California EPA Department of Toxics. I'm sorry for being late. We would not—I don't believe we would be comfortable in having those meetings open to the public when we're negotiating our—our consent agreement. That's a legal document, with attorneys present. We would—I think we would be comfortable in trying to give you a detailed briefing of those meetings, but we're feeling our way along here, and many of our questions at this point—you might be surprised if you actually were present—many of our questions are very fundamental and crude questions relating to process, because this—this is new to us, and we're—we're feeling our way along as well and trying to learn from the—the previous examples in the state.

So experience base is pretty scant, and a lot of the questions right now relate to basic process. But we would be comfortable in—in providing a detailed briefing to whoever's interested at some time after the meeting.

Q. Mr. Jim O'Loughlin - My name's Jim O'Loughlin. And I was wondering, who is gonna pay the premiums on the project at Mare Island? Would it be the consortium of the developers, or would it be the regulator agencies or the city or the Navy?

Q. Ms. Jill Bensen - The premium for the insurance policy?

Mr. Jim O'Loughlin - Yeah.

A. Ms. Jill Bensen - That would be included in the price negotiated for the Environmental Services Cooperative Agreement, and so essentially the Navy would be paying for that.

Q. Ms. Diana Krevsky - Diana Krevsky. Can you go over ESCA again? I know it's an agreement. Is this a document that you are talking about, in essence, you're working out the details right now, and at what point will it be available for the public to view?

A. Mr. Jerry Dunaway - The ESCA is one of the agreement documents that specifically is between the city and their partner developer, in this case Lennar, and the Navy. It's really between those two groups. The regulatory agency is not involved at that point. I'll have a

slide later this evening that kind of diagrams this, 'cause I know there's several documents, and how they interrelate is real confusing. The consent agreement that Chip just discussed, that's an agreement between the city, the developers, and the state environmental agencies, and so they have their agreement. The Navy has our agreement with them. And basically, those two agreements combined basically substitute what is called the federal facilities site mediation agreement that we're currently working under. It's a replacement agreement or a set of replacement agreements that satisfy the same requirement, that guarantee the cleanup is done at some particular date, and in the ESCA's case, it guarantees a price that the Navy will pay them to do the cleanup.

Q. Ms. Diana Krevsky - Would that be available?

A. Mr. Jerry Dunaway - Oh, yeah. And the ESCA is part of the FOSET package, so it goes out for public review, and it essentially is complete when it's in the draft form. There may be minor revisions to it, but essentially it goes through the public-review process too.

Ms. Diana Krevsky - Okay.

C. Mr. Chip Gribble - Let me follow that up a little—a little more from—from my previous comment. Cynthia, we could—we could attend the reuse focus group meetings and provide a briefing there, if that would be helpful, or we could provide some—we could consider—I think—I'm not sure I could speak for everybody—we could consider generating a written summary, if that would be what you're interested in. And if you want to think about it and get back to me, and in the meanwhile I can—unless you can be more specific now.

Ms. Cynthia Marquez - Well, I'm just worried about the unknowns, just like, you know—and I want to know what those unknowns are. That just—and I think I get a—you know, I'll have a better sense of what those are when—I'll be glad with a briefing. I don't have to be there. We don't have to be there. We'll be meeting. The transition—the transition reuse committee will be meeting at 6 o'clock next—I think October the 21st, and we'll be talking about it.

Mr. Chip Gribble - Okay.

Ms. Cynthia Marquez - Thanks.

Q. Ms. Myrna Hayes - I have a couple of questions. Thanks, Jill, for your presentation. First of all, what is the chance, in your experience—and maybe Jerry will be answering this question with you—what is the chance that your proposal will be accepted by the Navy and other federal agencies, as far as you know, in terms of the guaranteed-fixed-price proposal that you're—that you're making for the early transfer? That's one question. You want me to ask all the questions and then—

Ms. Jill Bensen - How many do you have? I can't remember them all.

Q. Ms. Hayes - I think I only have two more. Cynthia's question related to dollars for funding I don't think was adequately answered. Her question was, isn't the money coming from the Navy, so if they've been having problems getting their funding for their—for them to clean it up, then what's new and improved about an early transfer which is going to allow money suddenly to flow for you to clean it up? You know, why isn't it gonna go to Bosnia for—for you if it went there for them?

And then, finally, I guess my third question would be, you mentioned that you would love to be meeting with the RAB for years to come, and—

A. Ms. Jill Bensen - Well, only five.

Q. Ms. Myrna Hayes - Well, let's see. Okay. We can arrange that. What—what mechanism would you be using or—I know the Navy's going to be maintaining property. They're not gonna be transferring it all. So under what authority would the properties that—that are being transferred to you fall under the advisory role of the RAB? Because currently it's—it's DOE or DoD properties specifically.

A. Ms. Bensen - Okay. I saw Jerry say "Let me answer No. 2," so I'll try No. 1, then you can try No.1 .

I'm very optimistic, our team is very optimistic that the early transfer will happen, and we're working very hard to do everything we can to—to have it happen. And I know the Navy and their team is working very hard as well, and I think I feel very positive that it will.

Leave it to you for No. 2.

A. Mr. Jerry Dunaway - The terms of the Environmental Services Cooperative Agreement—Jill mentioned it as the ESCA, and that's what we've been calling it for short. What the ESCA is, is it's a set of requirements. It's like a contract, and it goes out as—like a contract. It's called a grant, and we issue the ESCA grant from the Navy through the official contracting officer or—or his representative, who represents the federal government, and so it's like obligating a contract.

And I know this was a question from Rob last month, and I did some research and talked to some folks back in Washington, and what provides the assurances in the ESCA much more so than our regular budgeting process is that, when it's obligated under a grant, it keeps a—or it gets ranked as a higher priority in the budgeting process, whereas, we have a budget—say, for this upcoming year, we have a budget in the \$40 million range. A lot of that money will be and is earmarked for potential early-transfer grants, but if they aren't going to a grant, we have some of that money that's going to some of our normal cleanup,

going through the contract chain where we hire a contractor to clean it up. That money can more easily be taken back for things that the Department of Defense deems more necessary. Under a grant scenario, they can't do that as easily. Now, it can obviously happen, if we are in a state of war, they can make that extreme decision to pull back obligated funds, but that's generally more rare, much more rare than their ability to pull back normally budgeted funds.

C. Ms. Jill Bensen - We understand that the Navy will be here after early transfer and that

it's their intent to maintain the RAB for a period of time, and we also, through the state process of getting approval, will have public-review and -comment requirements. And we want to interact with the community, make sure the community is informed and involved, and we've made the decision that the best way to do that is through the RAB, and so it's our intention to continue working with the RAB.

Q. Ms. Myrna Hayes - Let me just ask you one more question—and the Navy is slippery about this, too, not that you are—but 31 installation restoration program sites—we have never heard of any more than 24. They're always alluded to. So sometime, if someone could show us what the phantom IR sites are, that would be great. We did not see them on our tour last Saturday, so magic—if you could make those magically appear at some point, we'd appreciate it.

A. Ms. Bensen - They will be itemized in the FOSET. And I guess I might have made a—I did make a mistake on that slide, and thanks for pointing it out. There are not 31 IR sites, but there are 31 areas. Some of them don't have IR names, and they may have an IR name or we may call them something else, but they're distinct and unique areas that require either investigation or cleanup or closure. And we've seen them called different things on different documents, and so just for ease of our process, we've gotten in the habit of calling them IR sites even though they aren't really IR sites in the true numbering system that the Navy maintains. But you're absolutely right, Myrna.

Ms. Patricia Schader - The FOSET documents that will be issued for review in early September—

Ms. Myrna Hayes - We need you to use a microphone, Patricia.

Q. Ms. Patricia Schader - The FOSET document that will be issued for early review in September, how long will the public have before they have to respond?

A. Ms. Jill Bensen - I believe it's a 30-day review, comment period. Is that correct?

Mr. Jerry Dunaway - It's a minimum of 30 days, yes.

Q. Ms. Patricia Schader - Also, will we be able to see the copy of the insurance policy before the transfers are done so that we can review it? Will it be open to the public?

A. Ms. Jill Bensen - I don't think it will be open to the public.

C. Mr. Jerry Dunaway - I think we have lawyers provide that answer on the insurance policy, and I'll follow up on that, Patricia.

If there are no other questions, we'd like to move on. I know this is a very important and there are very serious issues here related to early—early transfer, and that's one of the reasons why we swapped the agenda. We put the presentations up front because we knew these were gonna potentially take longer, and we may cut out some of our things in the second hour, but feel free to ask any questions you want.

At this moment, I would like to bring up Legacy and Jim Davies, who will be doing that presentation, and this is for another area of the base also being considered for early transfer.

And thank you, Jill, for your presentation.

And Jim Davies, again, is representing Legacy Partners. They are a second of three developers that are working with the city to propose early transfer of a majority of Mare Island. It's not all of it, but Legacy has a very large part of the developed area. Jim will talk about the second large part of the developed area, and next month we'll hear from Weston about really the largest but primarily undeveloped area of Mare Island.

So at this time I'll just give it over to Jim.

Ms. Jill Bensen - Thanks, Jerry. And I want to especially thank you because you made it really easy for me to give my presentation.

Ms. Myrna Hayes - Jim, we need—

**Presentation:**

Mr. Jim Davies - Oh, the mike, yeah. I'll use the mike, sure. Jill did a great job of explaining a lot of things. We're going through the same process, doing the same things that she talked about. Fortunately, they were nice enough to pick up most of the contaminated areas, and so our site is relatively clean. And I'll talk about that in more detail in a minute, but I just want to make sure you understand, we are going through the same process that's been described before, and she illustrated up there, the property going to the city and then to the developer. Legacy will retain the liability in this case for the cleanup.

And with that, I'll kind of start with a little more of the repair piece. We do have 200 acres. It is—I'll show you in a minute the northern part, or the causeway out through Highway 37 between Cedar Avenue and almost over to Mare Island Strait. There is a strip of land on the water that was mentioned earlier that will be retained by State Lands and leased to the city for public access. It is total commercial development, no residential plan at this time, although there's been some discussion of live-work situations, but that's currently not in the plan. And obviously the objective here for development is to create jobs and help revitalize the economy after the closure of the installation, and of course to bring revenue to the city, which will be of great benefit.

This is a schematic of the proposed—well, it's not actually proposed development. It's sort of the first cut of lack of having specific tenants to move into buildings and building some of those to suit and/or at least finishing them off to a point where they'd be suitable for their use. Legacy's architects and planners came up with a system that in essence starts in the upper left-hand and then goes—this is—the first part to be developed and goes over to here, jumps down to here, comes back up here, goes over to here, there, and then this would be the last part down in here. But that could change significantly once tenants become interested and actual plans for tenant usage are developed.

So I think the point to take away here is that it is gonna be commercial, generally gonna go from the causeway towards Highway 37. And, of course, in order to do that, we need to do a little bit of cleanup along the way. We are going to transfer this in two areas—and I'll show you that map that shows the two areas in a moment—which were referred to as A1 and A2. And we are in the midst of discussing with the Navy and with the regulators whether we're gonna do that as a FOST for clean parcels within our areas and a FOSET for the dirty parcels, or perhaps roll it all into just a FOSET.

Those discussions are going on right now. They're moving down the road simultaneously because we certainly want to keep the schedule and keep pace with everybody. We're starting a little bit later than some of the others, but we have a little simpler site, so we anticipate we'll be able to catch up to the other folks quite quickly. And as I said, Legacy will be responsible for the environmental cleanup of the—the area.

Fortunately, we don't have very many contaminated areas, so I can kind of give you a sketch of what those might be. This is A1, A2. Top of the screen would be Mare Island Strait. Over here on the left-hand side is Highway 37. To the right is the causeway, and down here is—this is Cedar. Now, Lennar has a piece I think about here somewhere. It comes down into here, goes out here a little ways. But this is the roughly 200 acres that—that we have.

They're a combination of some hydrocarbon sites, most of which have been already cleaned up, and closure letters have been received saying that they have been closed and meet regulatory requirements, and a couple others in progress.

Our predominant site, if you will, is what's referred to as IR 17, Building 503, and that's in this area right down in here. There was paint manufacturing that went on in this area, and there was an aboveground tank farm here and aboveground tank farm across the street over here, and pipelines going between them. As far as the paint manufacturing process, there was some releases into the soil and groundwater. The Navy's done a lot of work out there to remediate that situation, in addition to a lot of investigation, have taken care of a lot of soil problems. There's still some solvents, mostly what's kind of referred to as mineral spirits, which is sort of the thinner, turpentine, if you will, that goes into—went into making paints, and still some residuals in there. Looks like there's a little residual hydrocarbons from a tank. So those yet to be cleaned up a little bit perhaps.

The Navy is in the process, through Tetra Tech, of doing a risk assessment. It's not quite done, but the preliminary indications are very positive in that the levels that are out there look like they're not gonna pose much if any risk at this point in time.

Obviously we have a long review process to go through that document to make sure that certainly we are comfortable with that and that obviously the regulators are comfortable and you folks as well. Everybody needs to get into that document, make sure—because that's the one that helps protect the human part of the human health and environment, and also that information will be used to help determine if there's any threat to the environment.

Fortunately, the geological conditions are favorable out there because this release took place, I don't recall exactly when. I didn't look into that level of detail. But my staff has done that, but it hasn't gone very far, and that's because there's not much—the groundwater's real flat out there so it's not being driven in one direction. The types of soils out there are fairly—we call 'em tight. Not a lot of water that moves through 'em, so these solvents haven't gone very far.

They did get into a couple utility lines, and they moved down a couple of roads a little ways, but even with that consideration, that they move through that material and back through the trenches, it still hasn't gone very far.

So these are all positive things. And, again, this will be our toughest site but I don't think it's gonna be a significant problem to clean up, and I'm sure it can be done in a way that's protective of human health and the environment of people that will be working out there to clean it up, as well as who will work there afterwards once the development takes place.

These are similar kind of problems to what—first article Superfund event, the Silicon Valley, the solvents of volatile organic compounds, VOCs, we've all learned to know that term. So there's well over 20 years of history on how to clean these sites up, investigate 'em, and et cetera, et cetera. So it all needs to be looked at. We don't think it's a major problem.

A couple other sites that we're looking at. In this area, there was a skeet range. At one point in time, when the dredge ponds were still there, before they brought the fill in, they went out there and shot skeet, so the lead from the shot—looks like it was spread out here in fan shape, typical of that kind of activity. But after that, when they came in to develop this area and put the buildings in the '40s, they brought anywhere from two to three to four feet of fill, put it on top of those old ponds, and so in essence then whatever lead's there has been encapsulated and kept in place, lead being a chemical that other than very rare instances doesn't go very far.

It's pretty immobile, doesn't move through the soil or water very fast. So we think—we've got some data from out there that we've just recently come across that we're looking at, and we will probably want to look at a little more, but we don't anticipate that being a big problem. We've cleaned up a lot of those in the past, and again, it's fairly straightforward and easy, if that in fact needs to be done. Based on my experience in doing a few of these, I don't think there's a lot of work that needs to be done there. It's looking pretty favorable.

Let's see what else we have. We have a gas station. It's called Building 993. It was in service from about '73 or '74 I think on to eighty—maybe '94, '96, I've forgotten which one, and there are some tanks that have been taken out and they've enclosed three or four tanks. There is a fourth tank that there may need to be a little more work done to clean up the last little bit of contamination, again, very minor situation.

There is a question of whether there's the original tanks that were put in when the gas station was constructed. There's some indication that those might still be out there, and we're in the process of workin' with the Navy and Tetra Tech to find out if we can identify whether they are or whether they aren't. So that's a little bit of a unknown at this point, but we will get to the bottom of that one.

Let's see. There's a UST off the end of this building, 655, that appears to have been removed. Looks like there might be a little residual hydrocarbons in the soil. We're looking at that to see if we need to go back in there and do a little more work, but if we do, it would be very minor. There are a couple of areas where there were PCBs used in the transformer oil, and some of that over time has leaked. We believe that the Navy and Tetra Tech have done a great job in identifying those and taking care of the ones that had a problem, and by encapsulating those PCBs that spilled on the concrete or whatnot, cleaned up the soil. We will have to deal with those when we demo those little structures as part of our development, but knowing that they are contaminated, that's very straightforward, separating it out and taking it to a proper disposal facility. And it's a very small amount.

There are a couple of sumps associated with a couple of those. They currently contain some water, so we'll be looking at that to make sure it's not PCB contaminated. But the water will be taken out in any event and will be taken to a proper disposal area, and the sumps themselves will be tested to make sure they're clean before we demo those at some point in the future.

Let's see what else we have. That's pretty much it. There—I might mention just the North Building Ways, Area A-2. That is where they—you're probably all familiar with where they actually constructed the ships in the past. The Navy has done a lot of investigation out there and issued our report, and it looks like, while there is some low levels of chemicals in the ground, they're levels that do not present a risk for commercial development.

And one thing that needs to be kept in mind, that I'm sure you've all heard before, is that, commercial development, you can leave more in the soil and the water typically than you do for residential because the exposure to the people working out there is so much different.

And we will incorporate a lot of the cleanup in our design of the development. In other words, we'll put a lot of material under building pads, under parking lots and whatnot, where people won't be exposed, and if you can't get to it, you can't get sick from it. That's sort of the way that works in real simple terms. And, again, it's a very straightforward idea that's been used all over the—all over the world to—to address this. As long as we can keep it from being exposed, we're in pretty good shape, and we don't have a lot of chemical value anyway.

But I think that pretty well covers most of the ones that—that we're working on. Where we are in the process is we are—we met with the Navy today, so if I sound a little discombobulated, I am.

We had a first negotiation today, and we learned some things today, nothing—the Navy learned some things today as well, our vision of what's going on out there, and they're not that far apart. We've all got some homework to do to help look at some of these things where we kind of think one thing and they kind of think another one, and we have another meeting scheduled for two weeks, and we're very optimistic that we're gonna be able to reach an agreement at that meeting. So I think we're gonna be able to get—get close enough to strike a deal.

So we're real—we came away feeling really good about that today. And we, too, are working with the regulatory agencies. We've had a couple meetings with DTSC and the Water Board to tell them what we thought was going on at these various sites as sort of a fresh set of eyes coming in to look at this information and certainly to find out what they know. As I mentioned, Chip's, you know, sort of the godfather out there of that. He knows—he knows what's going on more than anybody else, and very helpful briefings to the Navy. Dave Godsey and whatnot from the Navy's side knows what goes on inside and out. So it's been very helpful.

So we have in essence completed our environmental review, sort of our due diligence piece, with the exception of these few little things we're talking about, learning more about with the Navy on—on a couple places. We've had some negotiations with the Navy, as I

said, and we will be having that with the city pretty soon, so that's moving ahead. We hope to get all that wrapped up by the end of the month, and right now it looks like that's feasible, by the end of next month, I guess, since it's not midnight yet. We're moving ahead to start our consent agreement, internally working the drafts through on that. We think that that's—October 15th is certainly a feasible goal, as well as our cooperative agreement as well. We've—we started that also.

And we're trying to, as I said, keep pace so we can all go to the governor about the same time, one package, and move forward, 'cause we want to close by the end of the year and get started working on cleaning up the sites so we can start building perhaps sometime next spring or summer.

So I think that pretty well covers where we are. I'm certainly willing to answer questions I can about where we are and what's out there.

**Public Comment Period:**

Q. Mr. Jerry Dunaway - Jim, can you put up your slide that shows the sites?

A. Mr. Jim Davies - Sure. That's a good idea.

Mr. Jerry Dunaway - I have a question that really I know the answer, but I think it'll help others.

Mr. Jim Davies - Okay.

Q. Mr. Jerry Dunaway - Under 17 you stated that there are some tanks on the outside of the red line, on the area outside of where you'll be getting property as part of the early transfer. Can you describe how the cleanup of the entire site will be conducted?

A. Mr. Jim Davies - Certainly. We've had discussions with DTSC, as well with Lennar folks and CH2M Hill, on that subject, and everybody has agreed that it needs to be one entity that does that. We don't want to bifurcate it, we don't want to have one company and consultant deal with this side, the north side, and another one deal with the Legacy side. So early on, probably June, maybe mid June, Lennar will evaluate it; see what's going on—excuse me, Legacy, ourselves, will look at it, evaluate what's going on. We've done that. We have had a meeting with CH2M Hill to explain to them what we think the situation is, and as we move forward and find out more about the risk assessment and that sort of thing, we will obviously keep them informed, as well as DTSC will be in the middle of it for sure.

So we haven't got anything in writing at this point. We're moving down the road where Legacy will be responsible for cleaning up IR 17, which includes not only Lennar, but the Fish and Wildlife Service has a piece of that as well, because in this little area here I think

Lennar is right about here, I think is where Lennar's property stops, and over here, where the tank farm, one of the tank farms was, is actually going to go to the Fish and Wildlife Service. So we'll—but we want to take care of that all in one—all at one time.

C. Mr. Jerry Dunaway - And just to elaborate on that, it's defined in the ESCA, the Environmental Services Cooperative Agreement, that cleanup responsibility encompasses that entire site even though it goes beyond their property boundaries.

Mr. Jim Davies - Question, sir?

Q. Mr. Ken Kloc - I was unclear. Is Legacy going to do the environmental work themselves, or do you have an environmental services contract?

A. Mr. Jim Davies - We have an environmental services contract, and we haven't gotten to the stage, but the intent is to go ahead and continue to do the remediation once we finish off those areas, then the initial investigation or studies to reach a solution, and then carry out constructive solutions. We don't think a lot of that's going to be necessary because there aren't that many problems and most of them have been taken care of or at least they're quite a ways along the path to cleanup.

Q. Mr. Ken Kloc - Do you have a feeling of who that company might be?

A. Mr. Jim Davies - Well, as I said, we're working with Legacy, and the intent is that we would go ahead and do that for Legacy. We do cleanup as well.

Mr. Jerry Dunaway - Jim is with Harding, Loss, & Associates. He's not with Legacy.

Mr. Ken Kloc - I'm sorry. I thought he was from Legacy.

Mr. Jim Davies - I'm sorry, I didn't make that clear. No, we are a similar kind of firm to CH2M Hill, and we're doing construction. We're taking a different approach in terms of the fixed price. We have had some discussions that—but we're still discussing, let's put it that way.

Yes, ma'am.

Q. Ms. Cynthia Marquez - How many—you mentioned jobs. How many jobs would there be?

A. Mr. Jim Davies - I don't know that number, but I'm sure there's some projections made as far as the reuse plan goes and as far as IREIS goes. I can get that answer for you, but I don't have that off the top of my head.

Ms. Cynthia Marquez - Because at the last presentation, Legacy, it was just about 70 jobs that were projected.

C. Mr. Davies - Well, I think—I'm not sure what that was in context to, but there's gonna be some lonely people out there if we've only got 70 on that 200 acres. So I think there's gonna be a lot more than 70 jobs. That must have been some particular development opportunity they were talking about. And there's—there are discussions with several different people to come into the island, so I'm not sure which one that might've been referring to, but there will be—there will be more than 70, I can tell you that, or there won't be any project, and there will be a project.

Yes, ma'am.

Q. Ms. Emily Roth - You mentioned a risk assessment.

Ms. Myrna Hayes - We have to--

Q. Ms. Emily Roth - You mentioned the risk assessment. When will you produce a risk assessment for that?

A. Mr. Jim Davies - Tetra Tech is doing that on a contract to the Navy, and I'm not sure the exact date that that's scheduled to come out for public review. But we're talking to Tetra Tech, trying to find out as much information as we can about that document, so we need that for help in our negotiations to reach a deal. And so we'll probably have to look at some stuff before they've got it polished to the way that they will be happy with it so we can make our decisions and get on with our negotiations and get the deal done. So I don't know, Jerry, if you have a date yet that that might come up for public review.

C. Mr. Jerry Dunaway - Emily, we're currently anticipating that the submittal would come to the Navy next week and we would do our internal review. That takes us generally a few weeks. We usually have revisions from our internal review, and then we have it ready for regulatory review, and as we discussed this morning, we're looking at about the October time frame for that, for the public-comment period.

Mr. Jim Davies - They're nice enough to share some of that information for us so we can get a feel for that, because it is gonna affect our negotiations, so—but that's obviously a very important document, and you may all be looking at that one.

Yes, ma'am.

Q. Ms. Diiiana Krevsky - You mentioned live-work space as a possibility. Are the levels of cleanup being considered as residential then if that's the case?

A. Mr. Jim Davies - No. We have a—a large portion—well, in fact you can pretty well see it here, the white area, although it's changed a little bit. I think now this is included as the white area too, because it's part of the skeet range area, but the white area is areas where there is residual chemicals in soil that will be fine for commercial but probably not suitable

for residential, although I think some of A2 would be suitable. I haven't look at that in close context yet, but all the rest of it is clean, and there would be no problem doing residential in those areas.

Yes.

Q. Ms. Diana Krevsky - Are you dealing with the issues of the unknown? We mentioned—you mentioned the encapsulated areas, that when it comes to demolishing structures, then you'll have to deal with that. Are you accounting for all that budget-wise, anticipating?

A. Mr. Jim Davies - Well, yes, there's a couple—couple of elements to that. One is there--there are things that we know that are gonna be our costs that we don't expect to be reimbursed from—by the Navy, and that's part of doing business. There are other costs that the Navy's willing to reimburse, and there's a little bit of sort of in the middle there where—some of which we're discussing whether they'll consider those or not.

So the answer to your question is, yes, one way or the other, that's—all gets factored in there, and we try to find every—every piece from an environmental standpoint that's gonna cost Legacy money so we know what those are. That's our basic job, is to look under every corner and look—you know, look under every bed sheet, whatnot, and try and find everything we can so that we can identify as many of the potential unknowns and try to eliminate those either by saying they're not our problem or bringing them forth and saying, yes, they are our concern. I think the four original underground tanks at the gas station is an example of that. We don't know that they're there, but we found one place where it alluded to the fact that they were there, and now we've just got to go back and dig a little more with the Navy and see if we can track down records and whatnot, and if we do, fine, we'll go out there and look.

Ms. Myrna Hayes - Are there any other questions for Jim? Okay.

Mr. Jim Davies - I'll be here on the break, so if you have any questions, come on up.

Ms. Myrna Hayes - Okay. Thank you very much, both presenters. Let's just quickly go to a public-comment period, and that is the opportunity for any member of the RAB to bring up any topic that's not on the agenda or for any person here visiting us to talk about any item they wish to discuss concerning Mare Island. No? Okay. Then let's go to a five-minute break. Really be here back at your desks before 8:30. We're gonna get you out of here by 9:00. I've arranged with the city for the power to go out.

(break 8:23 p.m. to 8:32 p.m.)

Ms. Myrna Hayes - We'd like to welcome you back to the official part of the RAB meeting, or the formal.

### **Administrative Business:**

Mr. Jerry Dunaway - Welcome back. We'd like to take care of business and get out of here a little bit early actually. We want to cover some administrative business with the RAB members, and the first item is to discuss any comments to the June meeting minutes. Those meeting minutes came out with the packet. If there are any comments, we can discuss those. Otherwise, you can submit them in writing to Myrna or myself, and we can address those comments and publish them for final in the next RAB meeting.

If there are no comments, I do have a motion to accept a new RAB member tonight, and that new RAB member is Patricia Schader. And she is back against the wall there, and she has submitted her application. She does have—she's a community member here in Vallejo, and she has been involved as an attendee to the RAB meetings for the past several meetings, as well as attending an RPM meeting or two. And so she's very interested, appears to be a very qualified RAB member, so I motion to nominate here as a RAB member. Is there a second?

Ms. Cynthia Marquez - Second.

Mr. Ken Kloc - Second.

Mr. Jerry Dunaway - Can we vote? Hands up for aye. Looks unanimous. Patricia is now a member.

Ms. Myrna Hayes - I think the only open seat is next to Emily. Oh, Diana. You have a choice. We'll get a name tag for you by next meeting. Welcome Patricia.

Like that segue?

Mr. Jerry Dunaway - Just one more item. We do have a schedule change for next month's RAB meeting. I just wanted to identify that. It is not on the last Thursday of the month, and, again, this is because of a schedule issue with one of the presenters we're proposing for September 21st. It's one week earlier than our normal schedule, so please just note that on the bottom of the agenda. Focus reports.

### **Focus Groups Reports/Discussions:**

Ms. Myrna Hayes - Okay. Let's quickly go through focus group reports. We're always doing this quickly, aren't we? We could spend a whole day session here. Diana, the community focus group, or community outreach actually.

Ms. Diana Krevsky - Community outreach. Yeah, we met a few weeks ago, and basically we went over the Navy's proposed community-relations-interview questionnaire, and we

went over each one one by one and pretty much simplified the language on such changes as Navy's installation restoration we would change to Navy's cleanup program to make it user friendly.

And also one of the other items, we enhanced the section on the RAB. We had hoped the interview process would be partially an educational one, but I guess they wanted to keep it objective to find out what people knew about the RAB. We would like to explain what the RAB is and then ask them. But we did that. That took up most of the time. We also went over a list of local organizations, adding and subtracting what would be representative of the community. We gave that to the Navy.

The issue of our proposal for a town hall panel discussion and forum was discouraged by the Navy. Jerry was representing the Navy, and we were discussing that, sort of debated the pros and cons, and what turned out is that Jerry had agreed to provide the RAB with their reasons for not supporting that type of community outreach project. So that's oncoming I believe at some point.

Mr. Jerry Dunaway - Yeah, just a comment on that. We—we want to—the Navy wants to discuss this with EPA, DTSC, and make sure that we have their concerns or their input provided, so I don't have a formal response prepared yet. I'm hoping to have that for next week and have it mailed out to each of the RAB members. But we do want to get the input from the regulators on that particular issue.

Ms. Diana Krevsky - Okay. And then the other thing is, basically we didn't get around to focusing on our agenda, but on a more—less formal basis, I discussed with one of the Navy contractors about the newsletter and had suggested that, instead of the RAB newsletter being a sort of on-glossy, PR piece only about the RAB, that we incorporate some of the issues of concern, particularly the early transfer, and the contractors were receptive to that. So hopefully something will materialize with that.

Myrna, can you think of anything else?

Ms. Myrna Hayes - Other folks, Patricia, you were at that outreach focus group meeting. Al, you were there. Do you have other things you'd like to contribute?

Mr. Al Iliff - (shaking head)

Ms. Myrna Hayes - I just want to follow up briefly with that discussion on the town hall panel discussion forum and note my frustration and displeasure with the Navy's official response on that. I think you must clearly misunderstand what the nature of our recommendation is to the RAB, and it's not a request to the Navy as much as it is a recommendation to the RAB.

Our policy at this RAB has been that, if—and Dick will recall me saying this a time or two—if the people can't go to the island, then the island needs to come to the people. And

my second thing I always say, and Dick can probably say it for me, is you don't love who you don't know. And quite frankly, while it's appreciated that the Navy's putting some energy into conditions to update the CRP plan with California Department of Toxic Substance Control, the RAB is clearly defined as being above and beyond and not subject to CERCLA. And so it's great that you have an 11-point plan that happens—for CRP improvement or renegotiation or reconsideration that does include features of supporting the RAB.

However, the community outreach focus group believes that our recommendation, which we've made for several years now, is to make this type of meeting more accessible to the public by hosting a televised town hall meeting where we would cover in a general way, through a panel discussion—which we've had several panel discussions throughout our RAB life, as Dick can confirm—where panelists would briefly describe some of the issues of concern concerning the cleanup. They would then talk amongst themselves, ask some questions, make some clarifications, and then open up the rest of that time period to public questions.

It would be a wonderful opportunity. It would be a regularly scheduled RAB meeting, so it's not above and beyond the RAB process. It would be a panel, which we've had in the RAB. It would be at city hall, where it can be properly televised, where the communications are better, which we've also held RABs at the city hall.

And so the only difference would be actually shining a camera on that process. So we do not see it as being a burdensome or difficult or impossible process, and we really question why the Navy is dragging its feet on this, and all we're told is that management says no.

So we're really eager to get that official written letter, and then you can expect that you will very likely get a letter back from us explaining what we think we can do to help relieve some of your concerns, and at the same time, if necessary, we'll—we'll, you know, ratchet up our—our request, you know, further up the line, past whatever management, you know, is—is taking that position, because we feel it's our responsibility to communicate effectively and fully to this community, and it's very difficult, through small newspaper ads, to communicate with the public about what—these important issues on Mare Island, and a lot of them do watch television.

So that's just the additional comments that I'll make on that topic. The natural resources focus group, Jerry's not here this evening. Is there anyone else who wanted to comment on that one?

Mr. James Haas - I'll just say briefly, Myrna—

Ms. Myrna Hayes - Jim, good.

Mr. James Haas - I'm probably not the person to ask questions about this if you have questions, but recently the Navy and the managers of the San Pablo Bay National Wildlife

Refuge have started meeting to negotiate the terms for transferring the federal property. It's gonna transfer to the wildlife refuge, and I believe the RAB probably will try to schedule a presentation from the refuge folks sometime later this fall.

Ms. Myrna Hayes - On that note, put January 29<sup>th</sup>—19 through 21 of the year 2001 on your calendars for the Flyway Festival, which will also be at Building 505.

Technical focus group. Paula, can all of you—

Ms. Paula Tygielski - Because some of our technical focus group members travel quite a distance to get to meetings, we've decided it might be a little more—a little easier to deal with things through e-mail, so that's what we've been doing. And Ken has sent several e-mails, mostly about ideas for the Tapp grant. You want to talk about that?

Mr. Ken Kloc - Let's see. Actually, first, one question. Now that we are trying—we are trying an experimental method of meeting more often, we will—I mean, we're not going to completely exclude face-to-face meetings, but we're going to try to complete the bulk of our work through messages through e-mail, so we'll be meeting in cyberspace. And so far, it's—for me, it's worked pretty well. I guess I'll poll the other technical group members to see how they feel about it. However, one of the things that comes to mind now that we are meeting in this much easier fashion is that perhaps other RAB members, who may—for time constraints or for whatever reason could not participate in technical discussions, may now want to be on that list. So I would like to invite any other community member to just let me know, and I'll put you on the e-mail list, and then you'll be another part of the technical discussion.

And so the main—we've talked about a number of issues over the last month in the technical group, but the main issue that—that is—that requires a bit of action tonight is the Tapp grant. Recently I found out from Jerry that the—well, let me just step back a second and say that—and remind you that we have a Tapp grant which is currently being processed by the Navy, and that is to do a review of the remedial investigation and feasibility study at the RICRA (phonetic) landfill. I have been recently informed that that—those investigations will now be folded in to the investigation for the entire Area H1, and so after having consulted with several community members and Chip, we figured out that we—it would be really good to expand the scope of our original Tapp to include all of Area H1. And so I spoke with Jerry, and he said that we could easily—he believes at this point that we could easily just expand the scope of our Tapp application so that we don't have to prepare another application, and so I suppose we should have a community-member vote on that. So I will make a motion to amend our landfill Tapp application to an Area H1 Tapp application.

Mr. Kenn Browne - I'll second.

Ms. Myrna Hayes - Okay, Ken will second. And community members, if you can just show with a yes or a show of hands. Okay. A unanimous vote. Thank you, Ken.

Mr. Ken Kloc - And that's pretty much it for the technical focus group report.

Ms. Myrna Hayes - I appreciate you stepping in and making that extra effort and actually critically looking at the change and saying, hey, maybe we need to go back and make a modification. So will you be making that amendment and—with the rest of the focus group members and—

(Mr. Kloc nodded his head.)

Ms. Hayes - So if anybody's interested in seeing that amendment, just make sure that Ken has your e-mail address. And if you don't do e-mail—it isn't time yet for the electricity to go out—if you don't do e-mail, please let Ken know, because there's no problem I don't think with him just making a hard copy and putting it in the mail to you. And you can pick up the phone, too, between some of us.

Okay. Cynthia, the transition and reuse focus group. That microphone keeps crawling away from you, doesn't it?

Ms. Cynthia Marquez - We don't have—we don't have a report at this time. However, Myrna, I would like to comment on the town hall meetings. I think they are very—it would be very crucial to hold one, especially because there are health issues related to the cleanup at Mare Island. I think there's a lesson to be learned from—and I will reiterate this—there is a lesson to be learned from the Subic, Clark periods in the Philippines.

Ms. Myrna Hayes - I just want to acknowledge that, while you don't have a report from your focus group, presentations were as a result of your request many months ago. And you've continued to persistently ask us to get that on the agenda, so thank you very much for your focus group's efforts.

Ms. Myrna Hayes - John has a report from the city.

Mr. John Cerini - I'll be very brief. The couple of projects going on, the 5.7 million gallon water tank construction, the tank's actually been constructed. It's complete now. We're in the process of filling it, and hopefully with successful testing, we'll be putting it into service and taking some of the older tanks at Mare Island out of service.

The deconstruction project of the Farragut Village units has been progressing. There's still some issues, though, with their grading permits. They're bringing soil in, and these are general toxicity issues.

Ms. Myrna Hayes - Regulators? Ready to give us a report?

Ms. Emily Roth - Hi. Is this on? My name's Emily Roth, and my report consists of informing you that we have reviewed the Lennar FOSET, and we gave our comments on that FOSET I think two days ago to the Navy, and we reviewed the offshore ecological

risk assessment. And I hope you got a copy of that, Myrna, because we sent our comments to you, as well as the Navy and agencies.

And I guess that's about all. That's about it. We're attending meetings, and I've learned a lot about Mare Island and the conditions at the site and all the various IR sites in the last month, and maybe I can start being useful to the group soon.

I guess I would also voice support for the town hall meeting idea. I think it sounds like a good one. I think there are always people who can't get down to a meeting like this for various reasons, but are interested, and if you've got an ability to have—of the television hookup for a local channel or something, I've seen that be a real successful way of getting the word out to a lot of people who don't get around that well anymore or just, you know, are tired, like the rest of us, after a long day. So I guess the EPA would support the idea of—of the town hall meeting as described. And I have had—my only question was exactly how different is it than a RAB meeting, and it sounds like it's not very, but—but televised or—and maybe with presentations by everyone. So that's my report basically.

Mr. Chip Gribble - Okay. I'm on. I wanted to say that, going back to the early-transfer subjects, Jerry, it's nice that you think I'm—flattering that you think I'll be talking to the governor and telling him what he should do, but I don't think it quite works that way. I'm not that big of a fish. I think I'm more fodder than fish, and—in our agency, which has a very highly vertical organizational structure, I'm sure that somebody that's much older than I will be talking to him.

So now I will say that, seriously, our direction is to support the preparation at the staff level to support the preparation of the early-transfer packages. That's not to say that DTSC will endorse them and propose that recommendation to the governor's office. Even though I personally—I—think that this is a good way to go, that's my personal view, but the agency will—when we finish our packages, we will then be preparing a recommendation to the governor's office, which I think you may—may reasonably assume that that will be favorable, but, you know, we'll have to wait and see what that is. And then the governor's office doesn't—doesn't make a determination simply on the advice of DTSC. As you probably can imagine, he will make his determination in any way he so desires; but from the last experience at, is it FISC Oakland, that you know about, that DTSC's recommendation to approve that early-transfer package was accepted by the governor's office. So that's—that's where we're at on the early-transfer packages. The— one of the critical issues that we're struggling with, to give you a little more information, has to do with the deed restrictions that will apply to the—to these areas in the interim between the early-transfer date and the date of—of the—of the final—final cleanup. We—we are—our start point would be something very—very—very restrictive, which wouldn't allow the developers to—to have much freedom in terms of—of developing the property.

And so what we're trying to come up with is a better scheme which will allow us the flexibility and the developer the flexibility to in effect integrate, develop it with the cleanup. We support that, but legally that's what we're trying to figure out, how we can—how we can allow that to—to work.

We have that flexibility now in the current leasing world, where the Navy leases property to the city and the city subleases to businesses. Those leases contain many prohibitions which—which limit the—the city and the sublessee's ability to do various things, and if—if somebody wanted to—to excavate where we've said we have a prohibition, they can request us to waive that prohibition, and if we take a closer look and we feel that that's not a problem, that we can easily waive those prohibitions through the leasing arrangement.

But trying to create that same flexibility under the early-transfer process is—is—is proving to be fairly—a fairly large challenge. That's what we're—what we're trying to do for the benefit of—of development essentially, and the city.

A couple other things then. The community-relations-plan-amendment lists that we propose, list that we sent to the Navy—I don't know if you talked about that earlier—Jerry did respond to that, and the Navy is committing to do much of what we had proposed in that list. Not all of it, but much of it. And that's without any arguing over that, so I appreciate that—that level of cooperation from the Navy and will want to talk further about the point where we still have disagreement. But in the meanwhile, the Navy is making commitments to—to expand the community relations efforts.

The other—the other thing that—that we've been working on with the Navy, and we've made some progress, is site control. And I don't know if you recall, in recent months we've been concerned about the—the falling level of site control and the rising level of activity at Mare Island, and the two going in—in opposite directions is an increasing cause for concern, and the Navy has been taking additional measures to improve site control in recent—recent weeks here. We think that's encouraging. We plan to go out next week and discuss things in more detail to further improve the thing. But we're—again, on that score, we're encouraged that the Navy is taking—taking measures to tighten security to prevent exposure to some of the nastier sites out at Mare Island. And—and that's the short of it.

#### **Co-Chair's Report:**

Ms. Myrna Hayes - Two minutes. Yeah. I have the microphone, don't I? Okay. Two—just two things from me, and then I'll turn the microphone over to Jerry.

Here's a flier for contaminated-property transactions, "Diamond in the Rough." It looks like a great conference, has a special rate of \$695. So if anybody wants to offer scholarships to any of the RAB members, we'd love to go, in San Francisco this fall.

And then on the Mare Island RAB tour that was done on August 19th, there were some communication problems. I—Jerry expected me to let you know, all of you know, about the—the tour, when it was. You know, we were thinking Friday or Saturday, and unfortunately, somehow I didn't get the information to pass on to you. So I apologize to anyone who did not get to go on that tour, and we'll make a special effort to make sure that that's made up to you, 'cause I know we were only about two years behind in even getting it done.

Mr. Jerry Dunaway - Thanks, Myrna. Real quickly, I'm not going to do any kind of presentation, although I had a slide I wanted to use to illustrate the early-transfer documents and how they related. I'll save that for next month. There is a diagram inside the—this packet that I'm gonna hand out. Extra copies can go back to the audience. But generally I wanted to state, we have a couple staff changes, and this has been in the last month.

For our lead RPM position, that was held by Sarah Ann Moore, she has left our Mare Island team, still within the Navy but not with Mare Island. And Dave Godsey, our base historian RPM, sitting in the back row there, has taken on that lead RPM role. And we're looking to backfill for additional folks 'cause we are short-staffed.

We have with us tonight a new member that helps us on the closure-and-transfer side of the house, and that's Earl Estrella. He's basically going to help us with what used to be the former position called the BCT or the BTC, the base transition coordinator, and he basically tracks transfers of various parcels, and like in the packet you'll see that I'm describing where we're at on some various parcels, particularly the government-to-government transfers.

One area I do want to go over in detail that we've had as a topic of discussion since the beginning of the year is on page 2, the slide on top, the golf course FOST. I know we've had some serious comments to entertain and consider in our decision to transfer that golf course. The comments concerning the need for a residential-land-use restriction due to pesticides has been the comment of discussion for several months, and the Navy and EPA have been discussing this to try and resolve our differences, and we had our last conference call on this with Emily's boss and several others at EPA, including Emily, on July 25th.

We weren't able to resolve our differences, and generally what we have—and this is the Navy's view—is we have a golf course at Mare Island that, from a pesticide standpoint, is consistent with many, if not all, golf courses across the country as far as the level of pesticides, the concentration of the pesticides. We've learned through our legal research that we've not seen any of those golf courses having to be restricted from a land-use perspective simply because they changed ownership. We know that the golf course here at Mare Island is not planned for residential use currently, and the developer has put in about \$6 million to actually expand that golf course, and he has no intention of making houses or building houses out there.

With—with the legal research, what we found is that the other golf courses have not had to treat those pesticide applications as a hazardous waste release, and that's really the key right there, is that EPA feels they are hazardous waste release. The Navy does not, and so it makes it impossible for us to impose a land-use restriction. If EPA decides to pursue a national program to do just that, the Navy is more than happy to come back and do that remedial response, but at this time we do not see that—this as being a national standard, and we feel it is singling out the Navy unnecessarily.

And those responses to comments can be found in Appendix E of the FOST. There's a copy here in the library. There are two, maybe four copies at the RAB library. I have a copy here if anybody wants one tonight, and you can use that and read it and read our responses and learn what we were saying specifically on this topic. The final FOST was issued and signed on July 28th, and that transfer is currently in the works with the City of Vallejo.

That's really the only specific I wanted to get into other than one correction Earl pointed out, and I mentioned that the ESCA is part of the FOSET for public review. I was gonna state that it is not, and I'll have to ask some questions on if there's any opportunity for public comment on that document. And I'll report that back with the RAB next month.

Let's see. One more item. I wanted to introduce a new public affairs officer here with the Navy, and his PAO is here in the Bay Area at San Bruno at our EFA West office, and that's Thomas Pinard. He's sitting in the back. And if you could come up to the microphone and introduce yourself.

Mr. Thomas Pinard - It's after 9:00. I don't know, where is it? There it is. Good evening. I won't keep you. My name is Tom Pinard. A little bit of background because Jerry asked me to do this. I have 31 years of active and reserve Navy and Air Force service, 30 years as a newspaper—community newspaper publisher in the civilian world, 13 years as a elected school and community college trustee, and 40 years of sitting at meetings just like this, starting back in 1960. I've been in your shoes of organized meetings like this, committees like this, groups to lead and fight for and all that kind of stuff. So with that background, I'm happy to be up here in the Bay Area and handling Navy public affairs on the BRAC issues. Lee Saunders is our PAO from San Diego that's worked with the group here. He's gonna continue to work environmental concerns, and so he'll be involved with your group, but I'm certainly here, and on—on particulars, I can be involved. Lee and I will work together. But I share some of your concerns, understand where you're coming from, and I'm happy to be in the Bay Area working with the Navy again and comin' out of retirement. So thank you very much.

Mr. Jerry Dunaway - Thanks, Tom. And with that, we can entertain any public comments. We have a five-minute public-comment period, if there are any.

Ms. Paula Tygielski - A quick comment on the idea of having a televised-town-meeting-type thing for our RAB. A couple times I've been at school board meetings and city hall meetings, and I've always been amazed that, the next time I go to the grocery store, you know, people come up to me, "Oh, I saw you." It's amazing how many people watch those and how much information about the work that's being done on Mare Island would become—the people of Vallejo would become knowledgeable about.

Mr. Jerry Dunaway - Thanks, Paula. Any other comments? If not, we'll adjourn the meeting. Thank you all.

(The meeting adjourned at 9:02 p.m.)