

Overview:

Site Information - Point Molate covers approximately 290 acres of land above the mean high tide line in the Potrero Hills on San Pablo Peninsula on the eastern shore of San Francisco Bay. The site is located in the northwest portion of the City of Richmond and is 1.5 miles north of the Richmond-San Rafael Bridge. Point Molate is three miles from the Richmond Intermodal Station in Downtown Richmond which provides access to BART, Amtrak, and AC Transit (Alameda-Contra Costa Transit) bus service. Western Drive provides the only road access to Point Molate. While Western Drive is directly accessible to westbound traffic via a marked off-ramp on I-580, it is only indirectly accessible to eastbound traffic.

Point Molate is surrounded on the north, east, and south by Chevron. Chevron's property to the north and south is used to store and transport petroleum products. To the east, on the other side of Potrero Ridge, is a part of Chevron's oil refinery, where the more active and intensive industrial uses and manufacturing occur. Point Molate's topography ranges from sea level on the western shoreline to nearly 500 feet in elevation on the eastern ridge crest. Slopes range from moderate (0 to 10 percent) to steep (greater than 50 percent). Of the site's 290 acres, approximately 90 acres are developable and generally below a 15 percent slope. Point Molate's hillsides are visible from the Richmond-San Rafael Bridge as well as eastern Marin County, and the site itself has panoramic views of the San Francisco Bay.

Property Transfer: In 2003, the Navy transferred approximately three hundred and seventy one (371) acres of the former Point Molate Naval Fuel Depot (NFD) to the City of Richmond following the execution of a Finding of Suitability for Transfer. On July 29, 2008, the Navy and the City entered into an Early Transfer Cooperative Agreement (ETCA). The remainder of the Point Molate NFD, consisting of approximately forty-one (41) acres was transferred from the Navy to the City in March of 2010 pursuant to a Finding of Suitability for Early Transfer and at that time the Navy provided \$28,500,000 to the City to perform the remaining site remediation activities. Under the federal legislation enabling the transfer of Point Molate to the City, the site must be used for economic development purposes.

Current Status:

Environmental Impact Report. The Draft Environmental Impact Report (DEIR) for Point Molate is substantially complete, but on hold pending City Council Direction in regard to the Point Molate Land Use Alternatives Evaluation, which is a result of a community outreach process directed by the City Council. The final community meeting under this was held on November 17th and the final draft report is scheduled to go before the City Council on December 7th for consideration by the Council and direction to staff. The City Council may decide whether or not to add additional project alternatives to the DEIR. If not, the DEIR is scheduled to be released for public review in January and ready for City Council consideration in February.

Point Molate Land Use Alternatives Evaluation. Staff is completing a community outreach process being conducted by Design, Community & Environment (DCE) to get other alternatives that have not been considered in the Draft Environmental Impact Report. The results will be presented to the City Council on December 7, 2010. The City Council may decide whether or not to add additional project alternatives to the EIR. The draft Point Molate Land Use

Alternatives Evaluation is complete, has been distributed to the City Council and is posted on the City web-site.

Historic Building Stabilization. A Request for Proposals (RFP) was released in early November for firms to perform building stabilization measures on historical buildings on the Point Molate site. Based on a preliminary engineering report, the current budget of \$200,000 is not adequate to stabilize all the historic structures. Once the RFP responses are received, staff will recommend a final scope of work. The status of milestones is as follows:

- November 3 - Release RFP - Complete
- November 15 - Respondents submit Permission to Enter and Release of Liability Agreement - Complete
- November 17 - Site Tour with Respondents - Complete
- November 19 - Deadline for written questions by respondents - Complete
- November 24 - City to post answers to questions on Bids-Online - Complete
- December 1 - Deadline for receipt of proposals
- December 6 - Contractor Selected
- December 15 - Finalize contract negotiations
- January 7 - Staff to present recommendation to the Finance Committee
- February 1 - Staff to present recommendation to the City Council
- February 8 - City to execute Contract and issue Notice to Proceed
- The construction schedule will be determined based on responses to RFP

Site Remediation. September 15, 2009, the State Water Control Resources Board vacated the Cleanup Order and remanded it to the Regional Board after granting a petition for review (File A-1972) that contended the Regional Board failed to comply with the California Environmental Quality Act (CEQA) in conjunction with its adoption. The City, therefore, expects the Regional Board to revise and reissue the Cleanup Order after the City of Richmond certifies the Environmental Impact Report/Environmental Impact Statement for the proposed Pt. Molate project.

Under the Land Disposition Agreement (LDA) and the Remediation Agreement (RA), Upstream is responsible for the site remediation and has hired the environmental engineering firm, Arcadis, to accomplish this task. Upstream, Arcadis and City staff have been meeting with the San Francisco Bay Regional Water Quality Control Board (Water Board) to finalize an implementation plan for the Remedial Agreement (RA) between the City and Upstream to clean up the site. The City is in negotiation with Nichols Engineering and will soon finalize a contract to have Nichols assist staff in oversight of Upstream and Arcadis in the site remediation activities.

Financial Status. Attached are two spreadsheets, which track sources and uses of funds pertaining to (1) the Navy's \$28,500,000 for site remediation and (2) the \$1,080,000 provided by Upstream for security, repair and maintenance of the site. \$5,244,227 of the Navy funds have been expended to date and \$668,786 of the Upstream funds have been expended. The Navy funds can only be used for site remediation costs. The Upstream funding of \$115,000 per month will end in April. The cost of building stabilization, when added to other obligations, is expected to exceed available funding, so staff will be recommending budget and expenditure alternatives to the City Council after the first of the new year.

Next Steps:

- City Council to determine if any alternative uses will be studied in the EIR.
- Planning will move forward with Council direction on alternative uses in EIR.
- Staff will finalize contract with Nichols Engineering for remediation oversight assistance.
- Engineering will recommend a contractor, budget and scope of work for seismic stabilization.

Project / Program Name: Pt. Molate Remediation Oversight			
Project / Program Manager(s): Steve Duran			
Project Description: Pt. Molate			
Point Molate Misc.			
Capital Budget			
\$ 1,065,752.00			
Approved FY 10-11			
Amount Received			
Revenue			
Difference			
Sources of Funds:			
Budgeted Revenue			
As of 11/30/10			
Revenue			
Difference			
Budgeted Amount In Adopted Budget (\$90K/mo * 12)			
\$ 1,080,000.00			
Upstream - June 2010			
\$ 115,000.00			
Upstream - July 2010			
\$ 115,000.00			
Upstream - August 2010			
\$ 115,000.00			
Upstream - September 2010			
\$ 115,000.00			
Upstream - October 2010			
\$ 115,000.00			
Upstream - November 2010			
\$ 115,000.00			
Upstream - December 2010			
Upstream - January 2011			
Upstream - February 2011			
Upstream - March 2011			
Upstream - April 2011			
TOTAL REVENUE			
\$ 1,080,000.00 \$ 690,000.00 \$ 390,000.00			
Uses of Funds:			
FY 2010-2011			
Budget			
Costs			
As of 11/30/10			
Budget			
Remaining			
As of 11/30/10			
MoFo Contract - Land Use & Remediation			
\$ 127,895.72			
Wells, Janney et al - Emergency Stabilization (PO carry forward from FY 09-10)			
\$ 3,000.00			
Scharff et al - Indian Gaming (PO carry forward from FY 09-10)			
\$ 10,138.96			
SUB-TOTAL - LEGAL & PROFESSIONAL SERVICES			
\$ 220,339.00 \$ 141,034.68 \$ 79,304.32			
DP Security			
\$ 328,378.00 \$ 328,377.92 \$ 0.08			
Willie Agnews - COR Caretaker & Benefits			
\$ 99,301.00 \$ 31,504.05 \$ 67,796.95			
Kroeger - Grounds Maintenance			
\$ 231,500.00 \$ 167,700.00 \$ 63,800.00			
Misc. & Office Supplies			
\$ 2,000.00 \$ 169.02 \$ 1,830.98			
SUB-TOTAL - LANDSCAPING & SECURITY (f/s as of 11/18)			
\$ 661,179.00 \$ 527,750.99 \$ 133,428.01			
Various Contractors - Pending			
\$ - \$ - \$ -			
SUB-TOTAL - EMERGENCY BUILDING STABILIZATION*			
\$ - \$ - \$ -			
COST POOL**			
\$ 184,234.00 \$ - \$ 184,234.00			
TOTALS			
\$ 1,065,752.00 \$ 668,785.67 \$ 396,966.33			
* Building stabilization budget to be determined will exceed \$200,000			
** Cost pool budget to be reviewed			