

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:

Point Molate Land Use Alternatives Evaluation. Staff is completed a community outreach process being conducted by Design, Community & Environment (DCE) to get other alternatives that had not been considered in the Draft Environmental Impact Report. The results were presented to the City Council on December 7, 2010. The City Council decided not to add additional project alternatives to the EIR.

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 went before the City Council on December 7th for consideration by the Council and direction to staff. The City Council decided not to add additional project alternatives to the DEIR. Planning staff anticipates releasing the Final Environmental Impact Report (FEIR) to the public the week of January 24. Hardcopies will be provided to the City

Council prior to the public release. A City Council study session presentation is scheduled for the February 22 Council meeting and the hearing on the FEIR will be scheduled for March 1 or at a special meeting on March 8.

Historic Building Stabilization. Responses to the Request for Proposals (RFP) for structural stabilization of historical assets were reviewed by staff in December and a contract for this work will be taken to the City Council for consideration in January. Based on a preliminary engineering report, the current budget of \$200,000 is not adequate to stabilize all the historic structures. A contract not to exceed \$538,835 to perform all recommended stabilization and a request for the additional funding is scheduled for City Council Consideration on January 18. Once the contract is awarded and executed, a construction schedule will be finalized and work will proceed under the supervision of the City's Engineering Department.

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 finalized a contract with Nichols Engineering to 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. \$5,258,502 of the Navy funds have been expended to date and \$537,989 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:

- Release the Final Environmental Impact Report (FEIR) is before the end of January.
- Conduct a City Council study session for the FEIR in February.
- Initiate seismic stabilization work.
- Staff and Nichols Engineering will continue to monitor and, direct as needed, Upstream's site remediation efforts.

Project / Program Name: Pt. Molate Remediation Oversight			
Project / Program Manager(s): Steve Duran			
Project Description: Pt. Molate			
December 31, 2010			
	Pt. Molate Misc.		
	Capital Budget		
	\$ 1,065,751.92		
	Approved FY 10-11	Amount Received	Revenue
Sources of Funds:	Budgeted Revenue	As of 12/31/10	Difference
Budgeted Amount in Adopted Budget (\$90K/mo * 12)	\$ 1,080,000.00		
Upstream - June 2010 - November 2010 (\$115K/month)*		\$ 690,000.00	
TOTAL REVENUE	\$ 1,080,000.00	\$ 690,000.00	\$ 390,000.00
	FY 2010-2011	Costs**	Budget
Uses of Funds:	Budget	As of 12/31/10	Remaining
			As of 12/31/10
MoFo Contract - Land Use & Remediation		\$ 127,895.72	
Weiss, 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
Money & Property		\$ (3,276.30)	\$ 3,276.30
DP Security	\$ 328,377.92	\$ 328,377.92	\$ -
Willie Agnews - COR Caretaker & Benefits	\$ 99,301.00	\$ 43,492.85	\$ 55,808.15
Kroeger - Grounds Maintenance	\$ 231,500.00	\$ 168,907.83	\$ 62,592.17
Misc. & Office Supplies	\$ 2,000.00	\$ 486.31	\$ 1,513.69
SUB-TOTAL - LANDSCAPING & SECURITY 0	\$ 661,178.92	\$ 537,988.61	\$ 123,190.31
Various Contractors - Pending	\$ -	\$ -	\$ -
SUB-TOTAL - EMERGENCY BUILDING STABILIZATION	\$ -	\$ -	\$ -
COST POOL***	\$ 184,234.00	\$ 92,112.00	\$ 92,122.00
TOTALS	\$ 1,065,751.92	\$ 771,135.29	\$ 294,616.63
* The \$115K payment from Upstream for December 2010 was not posted until January 2011			
** Costs Includes actual spent and amount encumbered.			
*** Cost pool budget to be reviewed			
City Council approved an amended Pt. Molate budget on 12/7/2011. The amended budget will be shown in the report received in February 2011. The amended budget will include funding for building stabilization and increased funding for legal and professional services.			

