

**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 Final Environmental Impact Report (FEIR) certified on March 8, 2011. Staff plans to ask for City Council direction as to the next steps for the proposed project and whether or not to pursue a casino as part of the project. A copy of the FEIR is available online at [www.ci.richmond.ca.us/planning](http://www.ci.richmond.ca.us/planning) and at <http://www.pointmolateeis-eir.com>.

Historic Building Stabilization. A contract not to exceed \$538,835 to perform all recommended stabilization work was approved by the City Council and executed in January. A project kick-off meeting is took place and a notice to proceed with the work was issued in February. The Contractor has completed 100% design and submitted for building permit which is under review by City. The Engineering Department is reviewing three change order proposals.

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 shortly because the City of Richmond certified 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, Terraphase Engineering, to accomplish this task. Upstream, Terraphase 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 and its consulting engineer Nichols Engineering continue to monitor the activities of developer Upstream and its remediation contractor Arcadis.

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. \$5,438,950 of the Navy funds have been expended to date and \$1,439,824 of the Upstream funds have been expended or encumbered. The Navy funds can only be used for site remediation costs. The Upstream funding of \$115,000 per month will end in April. The Navy and Upstream fund spreadsheets are attached for reference.

Security. A request for proposals (RFP) for security services for Point Molate was released in February to replace the current month to month service and staff will be making a recommendation for a contract to the City Council in May.

**Next Steps:**

- City Council to provide direction on project elements and next steps in April.
- Staff and contractors to finalize seismic stabilization work plan and commence work.
- City Council to consider security contract in May.
- 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				
		Point Molate Site Remediation Capital Budget		
Sources of Funds:				
	Navy Funds		Interest	Total
Navy Funds	\$ 28,500,000.00			
Expenditures				
Revenues				
Transactions	Date	As of 3/31/11	As of 3/31/11	Balance As of 3/31/11
City of Richmond	4/16/2010	\$ 630,000.00		\$ 27,870,000.00
Alliant Insurance Services, Inc - Insurance Payment	4/20/2010	\$ 4,130,000.00		\$ 23,740,000.00
First American Fund Control (FAFC) Setup Fee	4/20/2010	\$ 1,000.00		\$ 23,739,000.00
Upstream Point Molate - Remediation Work	4/30/2010	\$ 170,000.00		\$ 23,569,000.00
Savings Interest - April 2010	5/10/2010		\$ 1,989.85	\$ 23,570,989.85
Savings Interest - April 2010	5/12/2010		\$ 3,218.95	\$ 23,574,208.80
Savings Interest - May 2010	6/11/2010		\$ 2,712.51	\$ 23,576,921.31
Savings Interest - May 2010	6/11/2010		\$ 4,521.30	\$ 23,581,442.61
Arcadis US Inc.	7/15/2010	\$ 165,343.93		\$ 23,416,098.68
Contra Costa County	7/15/2010	\$ 1,264.00		\$ 23,414,834.68
Savings Interest - June 2010	7/26/2010		\$ 493.14	\$ 23,415,327.82
Savings Interest - June 2010	7/26/2010		\$ 493.14	\$ 23,415,820.96
FAFC Bank Charge	7/26/2010	\$ 20.00		\$ 23,415,800.96
FAFC Bank Charge	7/26/2010	\$ 20.00		\$ 23,415,780.96
Savings Interest - June 2010	7/26/2010		\$ 2,852.41	\$ 23,418,633.37
Savings Interest - June 2010	7/26/2010		\$ 5,330.73	\$ 23,423,964.10
Savings Interest - July 2010	8/11/2010		\$ 732.37	\$ 23,424,696.47
Savings Interest - July 2010	8/11/2010		\$ 732.37	\$ 23,425,428.84
Savings Interest - July 2010	8/11/2010		\$ 2,409.34	\$ 23,427,838.18
Savings Interest - July 2010	8/11/2010		\$ 4,830.04	\$ 23,432,668.22
FAFC Fee Slip - May - July 2010	8/16/2010	\$ 900.00		\$ 23,431,768.22
City of Richmond - MoFo Reimbursement	8/20/2010	\$ 4,016.25		\$ 23,427,751.97
Transfer August Maintenance Fee	9/13/2010		\$ -	\$ 23,427,751.97
FAFC Fee Slip - August 2010	9/13/2010	\$ 300.00		\$ 23,427,451.97
Savings Interest - August 2010	9/15/2010		\$ 773.33	\$ 23,428,225.30
Savings Interest - August 2010	9/15/2010		\$ 773.33	\$ 23,428,998.63
Savings Interest - August 2010	9/15/2010		\$ 2,564.97	\$ 23,431,563.60
Savings Interest - August 2010	9/15/2010		\$ 5,136.59	\$ 23,436,700.19
FAFC Fee Slip - September 2010	10/7/2010	\$ 300.00		\$ 23,436,400.19
City of Richmond - MoFo Reimbursement	10/18/2010	\$ 15,503.75		\$ 23,420,896.44
Arcadis US Inc.	10/18/2010	\$ 121,923.17		\$ 23,298,973.27
Contra Costa County	10/18/2010	\$ 632.00		\$ 23,298,341.27
Savings Interest - September 2010	10/20/2010		\$ 725.31	\$ 23,299,066.58
Savings Interest - September 2010	10/20/2010		\$ 725.31	\$ 23,299,791.89
Savings Interest - September 2010	10/20/2010		\$ 2,405.12	\$ 23,302,197.01
Savings Interest - September 2010	10/20/2010		\$ 4,817.12	\$ 23,307,014.13
First American Fund Control	11/1/2010	\$ 2,704.15		\$ 23,304,309.98
FAFC Fee Slip - October 2010	11/8/2010	\$ 300.00		\$ 23,304,009.98
State Water Resources Control Board	11/10/2010	\$ 796.00		\$ 23,303,213.98
City of Richmond - MoFo Reimbursement	11/10/2010	\$ 9,766.50		\$ 23,293,447.48
Savings Interest - October 2010	11/17/2010		\$ 696.94	\$ 23,294,144.42
Savings Interest - October 2010	11/17/2010		\$ 2,322.38	\$ 23,296,466.80
Savings Interest - October 2010	11/17/2010		\$ 4,647.05	\$ 23,301,113.85
Contra Costa County - Refund	11/19/2010	\$ -	\$ 158.00	\$ 23,301,271.85
State Water Resources Control Board	12/3/2010	\$ 3,553.88		\$ 23,297,717.97
Savings Interest - November 2010	12/15/2010		\$ 5,110.49	\$ 23,302,828.46
Savings Interest - November 2010	12/15/2010		\$ 760.48	\$ 23,303,588.95
Arcadis US Inc.	1/5/2011	\$ 105,245.30		\$ 23,198,343.65
RORE, Inc.	1/5/2011	\$ 31,581.00		\$ 23,166,762.65
Terraphase Engineering, Inc.	1/5/2011	\$ 37,142.09		\$ 23,129,620.56
Winhaven Partners, LLC	1/5/2011	\$ 5,418.11		\$ 23,124,202.45
Contra Costa Environmental Health	1/5/2011	\$ 474.00		\$ 23,123,728.45
City of Richmond - MoFo Reimbursement	1/5/2011	\$ 446.25		\$ 23,123,282.20
FAFC Fee Slip - November 2010	1/5/2011	\$ 300.00		\$ 23,122,982.20
Savings Interest - December 2010	1/28/2011		\$ 654.76	\$ 23,123,636.96
Savings Interest - December 2010	1/28/2011		\$ 4,621.71	\$ 23,128,258.67
Savings Interest - December 2010	1/28/2011		\$ 4,951.46	\$ 23,133,210.13
FAFC Fee Slip - December 2010	2/8/2011	\$ 300.00		\$ 23,132,910.13
FAFC Fee Slip - January 2011	2/8/2011	\$ 300.00		\$ 23,132,610.13
Terraphase Engineering, Inc.	2/18/2011	\$ 63,617.92		\$ 23,068,992.21
Winhaven Partners, LLC	2/18/2011	\$ 2,753.49		\$ 23,066,238.72
Contra Costa Environmental Health	2/18/2011	\$ 474.00		\$ 23,065,764.72
Savings Interest - January 2011	2/28/2011		\$ 587.29	\$ 23,066,352.01
Savings Interest - January 2011	2/28/2011		\$ 2,056.81	\$ 23,068,408.82
Savings Interest - January 2011	2/28/2011		\$ 4,818.91	\$ 23,073,227.73
Savings Interest - February 2011	3/1/2011		\$ 1,795.24	\$ 23,075,022.97
Bank Charges - February 2011	3/2/2011	\$ 35.00		\$ 23,075,087.97
Savings Interest Adjustment - February 2011	3/3/2011		\$ 411.38	\$ 23,075,504.46
Savings Interest - February 2011	3/3/2011		\$ 504.17	\$ 23,076,008.63
Savings Interest - June 2010	3/7/2011	\$ 493.14		\$ 23,075,515.48
Bank Charge	3/7/2011		\$ 20.00	\$ 23,075,535.48
Savings Interest - July 2010	3/7/2011	\$ 732.37		\$ 23,076,267.85
Savings Interest - August 2010	3/7/2011	\$ 773.33		\$ 23,077,041.18
Savings Interest - September 2010	3/7/2011	\$ 725.31		\$ 23,077,766.49
Savings Interest	3/7/2011		\$ 2,704.15	\$ 23,079,470.64
Savings Interest - February 2011	3/28/2011		\$ 2,206.62	\$ 23,078,264.02
Savings Interest - February 2011	3/28/2011		\$ 4,435.35	\$ 23,082,699.37
Bank Charges - February 2010	3/28/2011	\$ 35.00		\$ 23,082,734.37
Current as of 3/31/2011		\$ 5,438,950.38	\$ 72,160.81	\$ 23,082,590.59
Remaining Balance				\$ 23,082,590.59

<b>Project / Program Name: Pt. Molate Remediation Oversight</b>			
<b>Project / Program Manager(s): Steve Duran</b>			
<b>Project Description: Pt. Molate</b>			
<b>Pt. Molate Misc. Capital Budget</b>			
\$ 2,127,162.92			
<b>Sources of Funds:</b>	<b>Approved FY 10-11 Budgeted Revenue</b>	<b>Amount Received As of 3/31/11</b>	<b>Revenue Difference</b>
Revised Budgeted Amount (upstream Payments of \$115K/mo through April 2011)	\$ 1,226,660.00		
FY 2009-2010 Fund Balance	\$ 556,068.97		
Estimated Reimbursement from Navy Grant Funds for Remediation-Related Work	\$ 160,000.00		
Upstream (\$115K/month)		\$ 1,150,000.00	
Reimbursement from Navy Grant Funds for Remediation-Related Work		\$ 29,732.75	
<b>TOTAL REVENUE</b>	<b>\$ 1,942,728.97</b>	<b>\$ 1,179,732.75</b>	<b>\$ 762,996.22</b>
<b>Uses of Funds:</b>	<b>FY 2010-2011 Budget</b>	<b>Costs* As of 3/31/11</b>	<b>Budget Remaining As of 3/31/11</b>
MoFo Contract - Land Use & Remediation		\$ 377,895.72	
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	
Nichols Consulting - Remediation Oversight Services		\$ 60,000.00	
Legal and/or Professional Services			
<b>SUB-TOTAL - LEGAL &amp; PROFESSIONAL SERVICES</b>	<b>\$ 981,750.00</b>	<b>\$ 451,034.68</b>	<b>\$ 530,715.32</b>
Money & Property		\$ (12,731.48)	\$ (12,731.48)
DP Security	\$ 328,377.92	\$ 328,377.92	\$ -
Willie Agnews - COR Caretaker & Benefits	\$ 99,301.00	\$ 65,134.13	\$ 34,166.87
Kroeger - Grounds Maintenance	\$ 231,500.00	\$ 169,242.20	\$ 62,257.80
Misc. & Office Supplies	\$ 2,000.00	\$ 598.26	\$ 1,401.74
<b>SUB-TOTAL - LANDSCAPING &amp; SECURITY 0</b>	<b>\$ 661,178.92</b>	<b>\$ 550,621.03</b>	<b>\$ 110,557.89</b>
Various Contractors - Pending	\$ 300,000.00	\$ 300,000.00	\$ -
<b>SUB-TOTAL - EMERGENCY BUILDING STABILIZATION</b>	<b>\$ 300,000.00</b>	<b>\$ 300,000.00</b>	<b>\$ -</b>
<b>COST POOL**</b>	<b>\$ 184,234.00</b>	<b>\$ 138,168.00</b>	<b>\$ 46,066.00</b>
<b>TOTALS</b>	<b>\$ 2,127,162.92</b>	<b>\$ 1,439,823.71</b>	<b>\$ 687,339.21</b>
	\$ 184,433.95		
<b>* Costs includes actual spent and amount encumbered.</b>			
<b>** Cost pool budget to be reviewed</b>			