



GOVERNOR ARNOLD SCHWARZENEGGER

September 1, 2009

Ms. Kimberly Kesler  
Director  
Base Realignment and Closure Program Management Office  
United States Navy  
1455 Frazee Road  
Suite 900  
San Diego, California 92108-4310

Dear Ms. Kesler,

To help the City of Richmond accelerate the conversion of the former Naval Fuel Depot Point Molate (NFDPM) into an economic development project, I am using my authority under federal law to facilitate the transfer of the property by deferring the covenant that usually requires completion of hazardous substance remediation actions before transferring contaminated property.

Beginning in the 1940s, the Fuel Depot was used to store as much as 40 million gallons of various fuels until the facility was closed in 1994. The operation of the facility resulted in soil, soil gas and groundwater contamination by petroleum products and chlorinated solvents. The San Francisco Bay Regional Water Board has been the lead state agency overseeing cleanup at this site since 1996.

Because soil and groundwater pollution are still present, the Regional Water Board will enter into a State Land Use Covenant (LUC) to protect the environment and ensure completion of remediation efforts. The Navy retains financial responsibility for remediating any remaining and newly discovered hazardous substances and petroleum constituents on the property.

Based on the Regional Water Board's Cleanup and Abatement Order No. R2-2008-0095, which guides site cleanup, the Navy's investigation and remediation documents, the LUC, the Navy Finding of Suitability for Early Transfer and your letter to me dated June 11, 2008, I find that:

1. The 41 acres of the NFDPM site are suitable for transfer to the City of Richmond, and its intended use is consistent with protection of both human health and the environment.
2. The agreements governing the transfer contain the assurances set forth in Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or "Superfund") section 120(h)(3)(C)(ii) (42 U.S.C. § 9620 (h)(3)(C)(ii)).

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3. The Navy published a public notice describing the proposal June 8, 2008, in the West County Times, a newspaper of general circulation in the vicinity of the property, and allowed the public 30 days to submit written comments on the suitability of the property transfer. Comments were received and received adequate response.
4. The covenant deferral and property transfer will not substantially delay any necessary response action at the property.

Based on these findings, I determine that the 41 acres at the NFDPM Site are suitable for transfer in accordance with CERCLA section 120(h)(3)(C), and I defer the covenant required by CERCLA section 120(h)(3)(A)(ii)(I). This determination shall not be interpreted or deemed a waiver of any right of the State of California to require any response action by any appropriate party. Furthermore, this determination shall not be deemed or interpreted as an estoppel against the State of California.

If you have any questions concerning this matter, please call Mr. Bruce H. Wolfe, San Francisco Bay Regional Water Quality Control Board Executive Officer, at (510) 622-2314.

Sincerely,



Arnold Schwarzenegger

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cc: The Honorable Gayle McLaughlin, Mayor of Richmond  
Mr. Bill Lindsay, Richmond City Manager  
Ms. Laura Duchnak, BRAC PMO West Director  
The Honorable Linda Adams, California Secretary of Environmental Protection  
Ms. Dorothy E. Rice, State Water Resources Control Board Executive Director  
Mr. Bruce H. Wolfe, San Francisco Bay Region Water Quality Control Board  
Executive Officer