



Linda S. Adams
Secretary for
Environmental Protection



Department of Toxic Substances Control

Maziar Movassaghi
Acting Director
700 Heinz Avenue
Berkeley, California 94710-2721



Arnold Schwarzenegger
Governor

September 9, 2010

Anthony Megliola
Department of the Navy
BRAC Program Management Office West
1455 Frazee Road, Suite 900
San Diego, California 92108

Dear Mr. Megliola:

The Department of Toxic Substances Control (DTSC) and San Francisco Bay Regional Water Quality Control Board (Water Board) concur with the Finding of Suitability to Transfer (FOST) for Parcels II, X-B(1), X-B(2), and the Sanitary Sewage Treatment Plant Outfall of Parcel I. The enclosed map depicts the parcels and their location on the former Mare Island Naval Shipyard.

Parcel II consists of approximately 64 acres located in the northeastern portion of Mare Island. It is made up of the majority of Investigation Area A2. The eastern boundary of the parcel is the shoreline, which is defined as the mean high water line. Parcel II has two appurtenant structures (Fleet Reserve Pier and remnants of the former building ways and associated berthing) and seven buildings (Building 491, 589, 593, 641, 797, 799 and 825). The parcel contains upland habitat and tidal wetlands adjacent to Mare Island Strait and the approximately 40-acre former North Building Ways Area. The parcel is currently vacant. The General Plan designation is for Open Space — wetlands adjacent to Mare Island Strait and for Mixed Use — Planned Development for the remainder of the Parcel.

Actions to address petroleum hydrocarbons within IA A2 were conducted under the Water Board's Petroleum Corrective Action Program. On October 29, 2009, the Water Board issued a letter determining that no further actions related to petroleum hydrocarbons were required for the Former North Building Ways area within IA A2. The Navy addressed polychlorinated biphenyl (PCB) releases at IA A2 through its PCB Program under the oversight of EPA. The Navy received closure for Building 591 in February 2010; Buildings 589, 641, and 643, Building 797/GRA 51, Building 825/GRA 61, GRA 53, GRA 63, GRA 65, and Pier 55 in June 2010, and Buildings 593 and 799 and GRA 55 in August 2010. Three radiological sites (Buildings 589, 593, and 643) were identified at Parcel II and addressed under the Navy's radiological program.

DTSC, the Water Board, California Department of Public Health, and U.S. EPA concurred that no further action was required at these three sites in March 1996. These response actions are documented in the Final Record of Decision/Remedial Action Plan, Investigation Area A2, Former North Building Ways Area, Former Mare Island Naval Shipyard, Vallejo, California dated August 24, 2010.

All or portions of four solid waste management units (SWMUs) were identified within Investigation Area A2. In March 1996, DISC issued a letter concurring with the no further action determinations for two (SWMU 2 — Building 593 Radiological Materials Storage Area and SWMU 108 — Building 593 Areas of Potential Radium Releases) that were closed under the Navy's radiological program. The portions of the two remaining SWMUs (SWMU 93 — Storm Sewer System and SWMU 106 — Sanitary Sewer System) within IA A2 were evaluated as part of the overall investigation of IA A2. DTSC signed the Final ROD for Investigation Area A2 in August 2010 concurring that no further action is required with respect to this Investigation Area, which includes these SWMUs.

Parcels X-B(1) and X-8(2) consist of approximately 7.8 acres of land in the southwestern portion of Mare Island. Parcel X-B(1) contains building A172 and a portion of building A166A. Parcel X-B(2) contains the majority- of buildings A151 and A152. These buildings are non-residential structures, each of which was constructed prior to 1978. The parcel is currently vacant and zoned for Open Space.

The Horse Stables Area (HSA) partially overlaps with Parcel X-B(1). Abrasive blast materials (ABM) were removed as part of two removal actions from this area. DISC concurred that no further action is necessary to address chemical constituents for the overlap portion of the HSA and the transfer parcel X-B(1) in May 2010.

A visual survey was completed in 2010 that did not indicate the presence of munitions and explosives of concern or munitions debris (Weston, 2010, Visual Survey for MEC at WMA Buildings A-149, A-150, A151, A152, A166A and A172 Located within Transfer Parcels X-B(1), X-B(2) and X-B(3)). Additionally, no munitions or explosives of concern or munitions debris were encountered during the removal actions associated with parcel X-B(1). DTSC concurred that no further action is necessary to address MEC or MDAS in transfer parcels X-B(1) and X-B(2) in May 2010.

The Sanitary Sewage Treatment Plant (SSTP) Outfall of Parcel I consists of approximately 5.7 acres of land submerged beneath San Pablo Bay off the western shore of Mare Island. There is a 30-inch concrete outfall pipe that terminates within this parcel. A Remedial Investigation (RI), Feasibility Study (FS) and Remedial Action Plan (RAP) were prepared to address elevated levels of metals and PCBs detected in sediment. Dredge excavation and offsite disposal of sediment was conducted in June 2002 and December 2009 to address these contaminants. Sampling results in the area indicate no further action is necessary to address chemical constituents in the SSTP

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Outfall portion of Parcel I. DTSC approved the Completion Report documenting implementation of these remedial actions in May 2010.

The U.S. Navy developed a FOST for Parcels II, X-B(1), X-B(2), and the Sanitary Sewage Treatment Plant Outfall of Parcel I to document that environmental condition requirements and notifications for hazardous substances, petroleum products, and other regulated materials on the properties have been satisfied and that the parcels are suitable for transfer from Federal ownership. DTSC and the Water Board reviewed the draft and draft final versions of the FOST and provided comments. The U.S. Navy revised the FOST and submitted a redline/strikeout version of the Final FOST to DTSC and the Water Board for review. DTSC and the Water Board find the changes made to the Final FOST acceptable and concur with the FOST.

DTSC and the Water Board reserve the right to address any appropriate environmental or human health related issues, should additional information concerning the environmental condition of the property become available in the future. In the event of a newly discovered release, the owner of the parcel shall notify DTSC and the Water Board within 30 days and the no further action determination will be reevaluated to decide whether any corrective action is required.

If you have any questions, please contact Janet Naito of my staff at (510) 540-3833 or jnaito@adtsc.ca.gov.

Sincerely,



Barbara J. Coyle, P.E.
Acting Assistant Deputy Director
Brownfields and Environmental Restoration Program — Berkeley Office

Enclosure

See next page

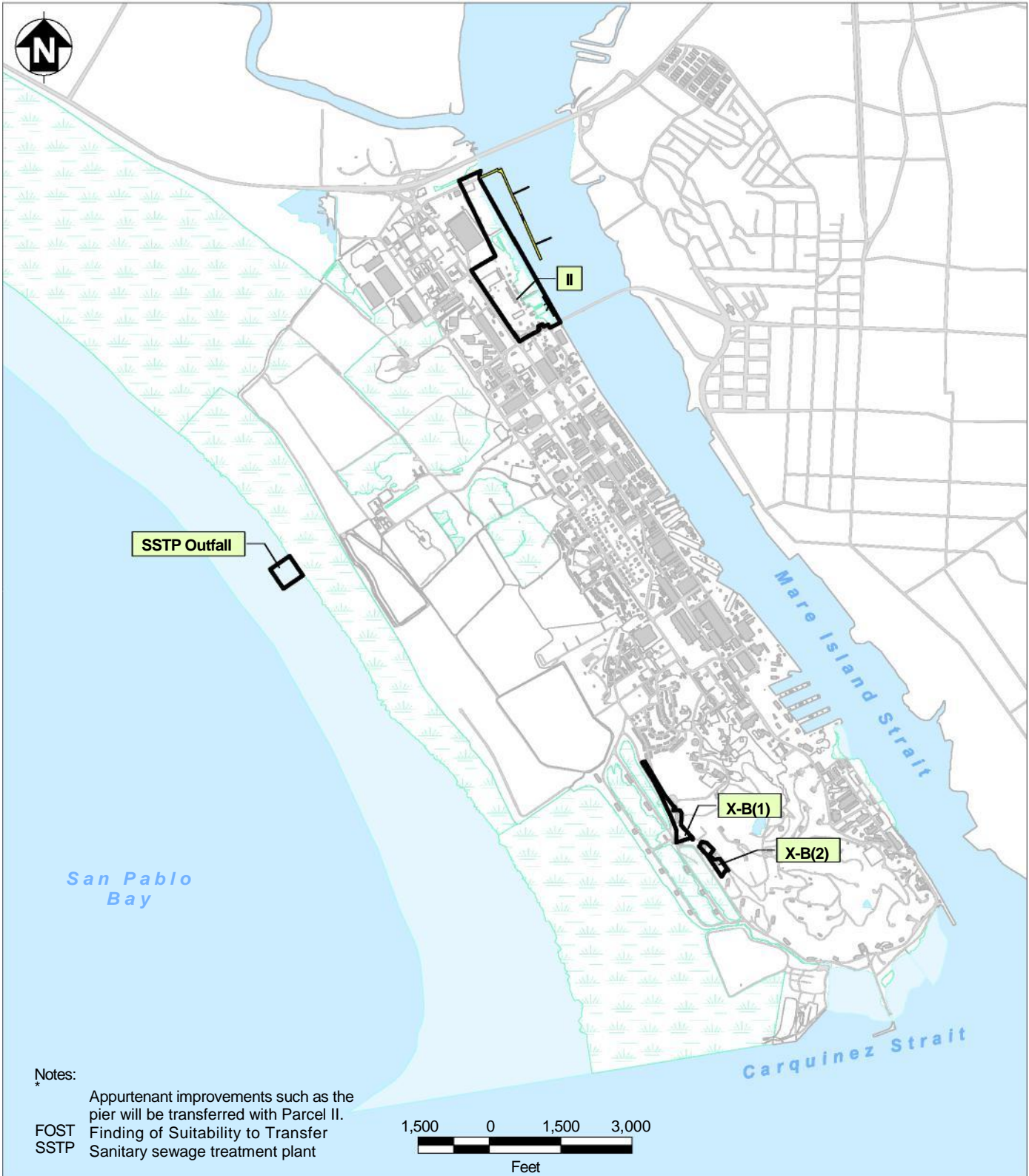
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Elizabeth Wells (via electronic mail to: EWells@waterboards.cadov)
San Francisco Bay Regional Water Quality Control Board









Tami Nakahara (via electronic mail to: TNakahara.ospr.dfg.ca.gov)
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BRAC Program Management Office West



Notes:
 * Appurtenant improvements such as the pier will be transferred with Parcel II.
 FOST Finding of Suitability to Transfer
 SSTP Sanitary sewage treatment plant

-  Parcels Subject to the FOST
-  Appurtenant Improvement to Parcel II*
-  Building/Structure
-  Road
-  Site Feature
-  Wetland
-  Mudflat
-  Water



Former Mare Island Naval Shipyard, California
 Department of the Navy, BRAC PMO West, San Diego,

FIGURE 2
PARCELS SUBJECT TO THE FINDING OF SUITABILITY TO TRANSFER