MINUTE ITEM

This Calendar Item No 26 was approved as Minute Item No. 26 by the California State Lands Commission by a vote of 3 to 3 at its 6^{-16} meeting.

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06/18/02 PRC 8180 W 25116 AD 376 D. Plummer F. Singer S. Lehman B. Stevenson J. Rusconi

CONSIDER ACCEPTANCE OF TITLE TO THE WESTERN EARLY TRANSFER PARCEL, MARE ISLAND, AND ENTRY INTO RELATED AGREEMENTS AND LEASES; CITY OF VALLEJO, SOLANO COUNTY

BACKGROUND

The primary purpose of this calendar item is to seek authorization by the State Lands Commission (the "Commission") to accept a deed from the United States of America, acting by and through the Department of the Navy (the "Navy"), of a parcel of land referred to as the Western Early Transfer Parcel (the "WETP"), including access to it. The WETP is on the western side of the closed Mare Island Naval Shipyard in Vallejo, and is approximately 2,800 acres in size. It is made up of three types of land: dredge ponds used over many years for the placement of spoils dredged from the Napa River; tidal marsh; and the open water of San Pablo Bay. The WETP is described in Exhibit A-1, and is shown for reference in Exhibit A-2. Both Exhibits are attached to this calendar item, and are incorporated by reference as parts of it.

The second purpose of this calendar item is to seek approval to enter several other agreements and a land use covenant associated with the WETP. These agreements deal with the completion of regulatory closure for hazardous waste and dangerous materials at the site, the performance of long term obligations, compliance with the requirements of a land use covenant, indemnifications, security instruments, and insurance policies to protect the State, and also with leases of the property accepted. Several documents are in this category: (1) a Consent Agreement between the Commission, Roy F. Weston, Inc., a Pennsylvania corporation ("Weston"), the California Department of Toxics Substances Control ("DTSC"), and the City of Vallejo, which sets forth cleanup responsibilities of Weston in the WETP; (2) a Performance, Indemnification, and Access Agreement among Weston, the Commission, and the City of Vallejo. This agreement assures that regulatory closure of the site will be completed, that all ongoing obligations specified by DTSC now or in the future will be performed, and that Weston will indemnify the State and the City of Vallejo for any failure to perform operations and maintenance or any future cleanup responsibilities. It also requires that Weston purchase pollution liability insurance naming the State and the

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City as additional insureds, and that the obligations of Weston to perform operations and maintenance and clean-up actions be secured through a bond and escrow account to which the State has access; (3) an addendum to the existing Public Agency Lease with the City of Vallejo to add a portion of the WETP to the Lease property; and (4) a lease to the United States Fish and Wildlife Service ("USFWS") of the remainder of the WETP, to be added to the San Pablo Bay National Wildlife Refuge.

The WETP is comprised of sovereign lands which were granted to the United States through two legislative acts found at Chapter 81, Statutes of 1897 and Chapter 1452, Statutes of 1963. These statutes contain reversionary clauses stating that, upon the occurrence of specified events, the land would be returned to the State. The staff of the Commission has made it clear that state acceptance of title to reversionary property will not occur until the property has been analyzed for hazardous waste and dangerous materials and all necessary remediation performed, coupled with any necessary protections for the State though insurance, security instruments, and indemnification.

In the case of the WETP, the Navy will transfer fee title to the State pursuant to the "early transfer" provisions of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9601 and the sections following). Early transfers are typically of non-remediated properties. However, the WETP has been studied and remediated, and only the completion of regulatory closure remains. Portions of the western side of Mare Island were intentionally not included within the WETP, even though subject to the same state reversionary interests, because they still require substantial remediation. These include an old dump site, an ordnance demolition pit, and the western magazine area. The Commission may consider acceptance of these parcels at a later time and, as to some of the properties, may decide not to accept title.

There are several reasons to consider the acceptance of title to the WETP: first, the property has been thoroughly analyzed for hazardous waste and dangerous materials, and remediation has been completed; second, the ongoing operations and maintenance requirements and the land use covenant required by the DTSC are in the public interest and are not in conflict with the public trust character of the property; third, ongoing long-term obligations will be funded by the United States and will be performed by Weston; and fourth, state interests will be protected through performance agreements, funded security obligations, and insurance. Ultimately, the Navy, through covenants in its deed and provisions of federal law, remains responsible for any hazardous waste and dangerous materials within the site stemming from its use of the land.

ANALYSIS OF THE WESTERN EARLY TRANSFER PARCEL AND REMEDIATION

The principle issue presented by the WETP was the presence of Ordnance and Explosive ("OE") in parts of the site near dredge pipe outfalls and in levees near the

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outfalls. By definition, OE has not been fired, primed, or fuzed, and is less dangerous than unexploded ordnance ("UXO"), which has. OE came to be on the site because of the Navy practice of discarding old or unneeded small arms and other small caliber ammunition from ships by dropping them into the Mare Island Straits. With the dredging of the Straits, OE was brought up by a dredge along with silt and water, pumped across the Island, and deposited into the dredge ponds. Radium-containing dials from ships also found their way into the ponds in this manner and have been removed. As the ponds became filled, the levees surrounding the ponds were built up to increase capacity by using material from the bottoms of the ponds, including OE which had fallen out at and near outfalls. The WETP was never used to store ammunition, nor to detonate live ammunition or other explosive material. Because of this, there is virtually no concern regarding UXO in the WETP.

There have been several studies and removal actions of OE within the WETP from 1994 through 2001. The Navy, the Supervisor of Shipbuilding, Conversion and Repair - Portsmouth Virginia Environmental Detachment (often referred to as "SSPORTS"), and Weston have comprehensively screened the property for OE, and have removed discovered items. The first study was the Ordnance Site Investigation geophysical search in 1994. In 1995, PRC Environmental, Inc. completed an Ordnance Preliminary Assessment, which recommended further investigation and removal actions. The Ordnance Preliminary Assessment also concluded that, because of its weight, ordnance would be concentrated in areas around the dredge pipeline outfalls and in perimeter levees, and would not be found far into the ponds. This assessment was later verified by extensive removals of materials from areas near outfalls, and the absence of OE away from outfalls.

The search for OE and other anomalies was carried out using magnetometers, metal detectors, and visual observation. The outfall areas and pond levees were subjected to a 100% magnetometer search since most ordnance material was believed to be concentrated there. The absence of OE in the dredge ponds away from the outfalls was confirmed by a sampling of all pond areas. No OE was found in the pond bottoms.

A total of 390 "anomalies" were found in a search of 476 acres for possible OE performed between July 1994 and October 1995. It is important to note that not all anomalies were OE or small arms munitions, and often were metal debris of various types. The 390 anomalies were located with an instrument named the MK-26, which was the state-of-art equipment at the time of the investigation. Approximately 90% of the anomalies were located near outfalls or berms. Excavation was required to determine what the anomalies actually represented.

Two removal actions were completed to identify and characterize the anomalies in the dredge ponds, and to determine if the oufall/berm model was accurate. Weston conducted both of these additional investigations. The first investigation was performed between 1998 and 2001, and was labeled the "intrusive investigation." When the

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anomalies were dug up, it was found that, of the 390, 16 were very large masses of metal materials and OE corroded and rusted together at the outfalls. These were broken up by crushing and hammering using heavy equipment, without accidental detonation. The remaining 374 anomalies were a mix of 4 pieces of OE and harmless scraps of metal. Of all OE found, 99.9% was located at outfalls, and no OE items were encountered in the dredge pond bottoms. All OE recovered had been unfired, and the associated fuze components were frequently missing or inoperable due to corrosion.

Another survey was performed in 2001 by Weston to identify and to characterize anomalies in the berms and outfall areas by survey and removal. This work, referred to as the "OE Confirmation Survey," used newer electromagnetic technology which detects ferrous and non-ferrous materials. Unlike the MK-26 used in the earlier search, this technology reports all detected metal as an anomaly, without reference to the judgment of the machine operator as to what might be scrap metal. Many more anomalies were turned up using this new technology---11,816---and digging up and removal was required to verify what was OE versus scrap metal, bolts and nuts, or even pockets of rust. A subsequent survey of verification grid sites was performed, and 342 anomalies were dug up. No OE was found. However, one item was found on the surface near one of the grids. A subsequent visual survey was done of the crowns of all berms, and nothing more was found.

The 2001 OE Confirmation Survey and its validation grids supported what had been found in earlier surveys and removal actions---that the vast majority of OE was at outfalls, where removal had occurred. As a final study, eight more areas were surveyed and anomalies dug up. Seven of these areas were concluded to be the most probable locations of any remaining OE at the dredge ponds in areas not studied earlier. The last one was selected because it was unlikely to have OE. Of the 484 anomalies found within the eight sites, seven were OE which was removed. No OE items were found at the one site where no OE was expected, supporting past studies and removal actions.

The studies and removal actions performed at the WETP were done with the advice and direction of staff at the Office of Military Facilities within DTSC. The studies and removal actions have enabled DTSC to conclude that the continued risk from OE is very low at the outfalls and berms, and of an even lower magnitude within pond bottoms. This work framed the requirements set forth in the Consent Agreement and Land Use Covenant described below, to which the Commission is a party. These requirements are not too onerous to support taking back the property and leasing it to the City of Vallejo and the USFWS, particularly given that anticipated costs for operations and maintenance will be met by Weston, and backed up by the a funded escrow account it will create for the State.

There are two subject areas which will require conditional approval by the Commission. The first pertains to an area approximately 800 square feet in size at an old outfall used to discharge industrial and storm water runoff until 1976. DTSC has required, and

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Weston is undertaking, a removal of approximately 155 cubic yards of material at the site of the outfall which have unacceptable levels of PCB's and mercury. It is anticipated that this area will be remediated by the time that title to the WETP is accepted. If it is not, the area will be cut out of the WETP, and title will only be accepted when DTSC has determined that remediation is complete.

The second condition to the acceptance of title to the WETP is necessary because the WETP has been included within a Resource Conservation and Recovery Act (RCRA) facility. The RCRA law is found at 42 USC 6901 and the sections following. The WETP is not within a RCRA permitted hazardous waste unit or a solid waste management unit. The RCRA facility designation covers all of the former Mare Island Naval Shipyard, including the Napa River and San Pablo Bay. On May 17, 2002, the Navy filed a request for permit modification with DTSC to remove the WETP from the facility designation. The staff recommends that title not be accepted until the required permit modification is complete, and the facility designation has been removed.

DOCUMENTS RELATED TO ACCEPTANCE OF TITLE AND HAZARDOUS WASTE AND DANGEROUS MATERIALS ISSUES

To complete acceptance of the WETP, the Commission must approve the following:

 Acceptance of a Quitclaim Deed from the United States of America, acting through the Department of the Navy, including access to the WETP. The Quitclaim Deed is on file at the offices of the Commission and is incorporated by reference as a part of this calendar item. Terms in the Quitclaim Deed require that the United States warrant, following regulatory closure, that all response

actions to protect human health and the environment have been taken. The Quitclaim Deed also contains a covenant that the United States will complete any additional remediation found to be necessary after the date that the Commission accepts the Quitclaim Deed.

- 2. Execution of a Consent Agreement between the Commission, DTSC, Weston, and the City of Vallejo. The Consent Agreement is on file in the offices of the Commission and is incorporated by reference as a part of this calendar item.
 - a. The Consent Agreement describes the responsibilities of the parties related to clean-up, regulatory closure, and operations and maintenance. The obligation of the Commission under the Consent Agreement is to record the Covenant to Restrict Use of Property, described below. The main obligations of the Consent Agreement lie with Weston.
 - b. The Consent Agreement recognizes that a Remedial Action Plan (a "RAP") has been prepared for the WETP, and that no clean-up actions remain, other than in the area of the outfall described above. Through the RAP, DTSC will set out several protections for the public and wildlife

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which use and enjoy the WETP. Among the protections are regular visual monitoring of the entire WETP; periodic sampling of the soils within the WETP, including at historic weirs, to ascertain that neither toxic substances nor metals have increased in concentration; and the implementation of the requirements in the Covenant to Restrict Use of Property, described immediately below.

- 3. Execution and recordation in the offices of the Solano County Recorder of a Covenant to Restrict Use of Property ("Land Use Restriction"). The Land Use Restriction is on file in the offices of the Commission and incorporated by reference as a part of this calendar item. The Land Use Restriction requires that the WETP not be used for hospitals, residences, schools, or day care centers. It bars the alteration of groundwater conditions within the WETP though activities such as groundwater pumping, and requires that disturbance of soil or groundwater through activities such as digging, landscaping, and regrading occur only after DTSC has approved a work plan or in an emergency. The Land Use Restriction also contains affirmative obligations related to public access. It requires that a public access path be constructed to certain specifications on top of dredge pond levees within two years after the recordation of the Land Use Restriction, along with barriers at entrances to bar vehicles (other than emergency, government, lessee, or Weston vehicles) and to deter bicycles. These affirmative obligations are dealt with in the agreement described immediately below, and their performance assured through a bond or security instrument.
- 4. Entry into the Performance, Indemnification, and Access Agreement (the "Performance and Indemnification Agreement") between the Commission, Weston, and City of Vallejo. The Performance and Indemnification Agreement is on file in the offices of the State Lands Commission, and is incorporated by reference as a part of this calendar item.
 - a. In the Performance and Indemnification Agreement, Weston will agree to perform all actions to achieve regulatory closure, all affirmative obligations under the Land Use Covenant, and all operations and maintenance in the WETP indefinitely. To guarantee that regulatory closure and the affirmative obligations of the Land Use Restriction are achieved, Weston will post a "Completion Bond" in favor of the State. To guarantee that long-term operations and monitoring are done, Weston will establish an "Escrow Account" in favor of the State in an amount that represents the present value of the anticipated cost of operations and monitoring, and the account will be adjusted each 5 years to reflect actual costs. The costs related to these activities have been reviewed by the staff of the Commission. The Completion Bond and the Escrow Account will be funded at the time the State accepts title.
 - b. Through the Performance and Indemnification Agreement, Weston will indemnify the State for the failure to perform the tage of the state of the st

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closure, the affirmative obligations, and operations and maintenance. As a back-up to the continuing responsibility of the United States, Weston will also indemnify the State against liability for hazardous waste and dangerous materials which may exist in the WETP for the length of the Public Agency Lease to the City of Vallejo, which is 20 years.

- c. As a condition to the State's acceptance of title, Weston will also fund a pollution liability policy naming the City of Vallejo and the State in the aggregate amount of \$100 million.
- 5. Entry into a First Lease Addendum to Public Agency Lease P.R.C. 8180 (the "First Lease Addendum") with the City of Vallejo. The First Lease Addendum is on file at the offices of the State Lands Commission, and is incorporated by reference as a part of this calendar item. The purpose of the First Lease Addendum is to add the portion of the WETP which is made up of managed dredge ponds to the existing Public Agency Lease.
- 6. Entry into a 49 year lease to the USFWS of the remainder of the WETP not leased to the City of Vallejo. The proposed lease is on file in the offices of the State Lands Commission, and is incorporated by reference as a part of this calendar item. The areas to be leased to the USFWS are made up of unmanaged dredge ponds, tidal marsh, and tide and submerged lands in San Pablo Bay, and either possess or have potential for high wildlife values. These areas will be added to the San Pablo Bay National Wildlife Refuge.

The documents presented to the Commission have been negotiated by the joint efforts of Commission staff and the Office of the Attorney General, with the assistance and advice of DTSC staff. Commission staff supports the acceptance of title to the property because it has been studied and remediated, the use restrictions are acceptable, and because ongoing costs are to be met by Weston and secured by a bond and escrow account. The WETP will be an asset to the State and its lessees, the City of Vallejo and the USFWS.

STATUTORY AND OTHER REFERENCES:

- A. PRC: Div. 6, Parts 1 and 2; Div. 13
- B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6
- AB 884: N/A

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, Section 15061), the staff has determined that the leases of the WETP to the City of Vallejo and to the USFWS are activities which are exempt from the requirements of the CEQA as statutorily exempt projects. Th

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because they involve settlement of title and boundary problems and leases in connection with those settlements.

Authority: Public Resources Code 21080.11

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that execution of the Certificate of Acceptance of the Quitclaim Deed, Consent Agreement, Land Use Restriction, and Performance and Indemnification Agreement are not subject to the requirements of the CEQA because they are not "projects" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060 (c)(3) and 15378.

3. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, and the sections following. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A-1. Description of the Western Early Transfer Parcel.
- A-2. Site Map of the Western Early Transfer Parcel.

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDINGS:

- 1. FIND THAT THE LEASES OF THE WESTERN EARLY TRANSFER PARCEL TO THE CITY OF VALLEJO AND TO THE US FISH AND WILDLIFE SERVICE ARE EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS STATUTORILY EXEMPT PROJECTS PURSUANT TO PUBLIC RESOURCES CODE SECTION 21080.11, SETTLEMENT OF TITLE AND BOUNDARY PROBLEMS.
- 2. FIND THAT EXECUTION OF THE CERTIFICATE OF ACCEPTANCE OF THE QUITCLAIM DEED, CONSENT AGREEMENT, LAND USE COVENANT, AND PERFORMANCE AND INDEMNIFICATION AGREEMENT ARE NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THESE ACTIVITIES ARE NOT PROJECTS AS DEFINED BY PUBL'2 DECOMPOSE 2005

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SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

SIGNIFICANT LANDS INVENTORY FINDING:

1. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTION 6370, AND THE SECTIONS FOLLOWING.

AUTHORIZATIONS:

- 1. APPROVE AND AUTHORIZE THE EXECUTION AND RECORDATION IN THE OFFICES OF THE SOLANO COUNTY RECORDER OF A CERTIFICATE OF ACCEPTANCE OF THE QUITCLAIM DEED, WITH ACCESS, FROM THE UNITED STATES OF AMERICA OF THE WESTERN EARLY TRANSFER PARCEL IN SUBSTANTIALLY THE FORM NOW ON FILE IN THE SACRAMENTO OFFICES OF THE COMMISSION.
- 2. APPROVE AND AUTHORIZE THE EXECUTION AND RECORDATION IN THE OFFICES OF THE SOLANO COUNTY RECORDER OF THE COVENANT TO RESTRICT USE OF PROPERTY BETWEEN THE STATE LANDS COMMISSION AND THE DEPARTMENT OF TOXIC SUBSTANCES CONTROL IN SUBSTANTIALLY THE FORM NOW ON FILE IN THE SACRAMENTO OFFICES OF THE COMMISSION.
- 3. APPROVE AND AUTHORIZE THE EXECUTION OF THE CONSENT AGREEMENT AMONG THE CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL, ROY F. WESTON, INC., A PENNSYLVANIA CORPORATION, THE CITY OF VALLEJO, AND THE STATE LANDS COMMISSION PERTAINING TO THE WESTERN EARLY TRANSFER PARCEL IN SUBSTANTIALLY THE FORM NOW ON FILE IN THE SACRAMENTO OFFICES OF THE COMMISSION.
- 4. APPROVE AND AUTHORIZE THE EXECUTION OF THE PERFORMANCE AND INDEMNITY AGREEMENT AMONG ROY F. WESTON, INC., A PENNSYLVANIA CORPORATION, THE CITY OF VALLEJO, AND THE STATE LANDS COMMISSION, IN SUBSTANTIALLY THE FORM NOW ON FILE IN THE SACRAMENTO OFFICES OF THE COMMISSION.
- 5. APPROVE AND AUTHORIZE THE EXECUTION AND RECORDATION IN THE OFFICES OF THE SOLANO COUNTY RECORDER OF A NO COST 49-YEAR PUBLIC AGENCY LEASE TO THE U. S. FISH AND WILDLIFE SERVICE OF UNMANAGED DREDGE PONDS, TIDAL

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MARSHES, AND OPEN WATERS WITHIN THE WESTERN EARLY TRANSFER PARCEL IN A FORM OF LEASE SUBSTANTIALLY SIMILAR TO THAT NOW ON FILE IN THE SACRAMENTO OFFICES OF THE COMMISSION. THE COMMISSION FINDS THAT A STATEWIDE PUBLIC BENEFIT ACCRUES FROM THE LEASE.

- 6. APPROVE AND AUTHORIZE THE EXECUTION AND RECORDATION IN THE OFFICES OF THE SOLANO COUNTY RECORDER OF THE FIRST ADDENDUM TO PUBLIC AGENCY LEASE NO. 8180 BETWEEN THE STATE LANDS COMMISSION AND THE CITY OF VALLEJO TO INCLUDE THE MANAGED DREDGE PONDS WITHIN THE WESTERN EARLY TRANSFER PARCEL. THE FORM OF THE FIRST ADDENDUM TO PUBLIC AGENCY LEASE NO. 8180 SHALL BE SUBSTANTIALLY SIMILAR TO THAT NOW ON FILE IN THE SACRAMENTO OFFICES OF THE COMMISSION.
- 7. CONDITION THE AUTHORIZATIONS IN PARAGRAPHS ONE THROUGH SIX AS FOLLOWS:
 - a. TITLE SHALL NOT BE ACCEPTED TO THE WESTERN EARLY TRANSFER PARCEL UNLESS AND UNTIL THE EXISTING RCRA PERMIT HAS BEEN MODIFIED TO REMOVE THE WESTERN EARLY TRANSFER PARCEL FROM THE RCRA FACILITY DESIGNATION.
 - TITLE SHALL NOT BE ACCEPTED TO THE OUTFALL AREA UNTIL THE CALIFORNIA DEPARTMENT OF TOXIC SUBSTANCES CONTROL HAS DETERMINED IN WRITING THAT REMEDIATION HAS BEEN COMPLETED. WHEN THAT DETERMINATION HAS BEEN MADE, TITLE MAY BE ACCEPTED AND THE LEASE TO U. S. FISH AND WILDLIFE SERVICE AMENDED TO INCLUDE THE REMEDIATED LAND, PROVIDED THAT THE TERMS OF THE ALL OTHER AGREEMENTS APPLY TO THE REMEDIATED LAND.
- 8. AUTHORIZE AND DIRECT THE STAFF OF THE STATE LANDS COMMISSION AND THE OFFICE OF THE ATTORNEY GENERAL TO TAKE ALL NECESSARY OR APPROPRIATE ACTIONS ON BEHALF OF THE COMMISSION IN REGARDS TO THE AUTHORIZATIONS IN PARAGRAPHS ONE THROUGH SEVEN, INCLUDING REPRESENATION OF THE COMMISSION IN COURT, IF NECESSARY.

Reversionary Land Mare Island City of Vallejo February 12, 2002 W 25116

EXHIBIT A-1

WESTERN EARLY TRANSFER PARCEL LAND DESCRIPTION

A parcel of tide and submerged land situated in the City of Vallejo, Solano County, California being a portion of those lands commonly known as Mare Island Naval Shipyard as conveyed to the United States for Military Purposes by the State of California by an Act approved March 9, 1897 in Chapter 81, Statutes of 1897 and an Act approved July 13, 1963 in Chapter 1452, Statutes of 1963, said parcel being more particularly described as follows:

COMMENCING at National Geodetic Survey monument "MARE ID SE 1852 1932" having California Coordinate System 1983, Zone 2, coordinates of N = 1.789.849.06 feet and E = 6.488.254.02 feet as shown on that certain map entitled "Record of Survey for lands owned by the United States of America per the 1938 United States Supreme Court decision 'United States v. O'Donnell 303 U.S. 501' Retracement of Tract 38 of the Joy Survey entitled 'Fractional Township 3 North. Range 4 West, approved by the US Survey General's Office October 24, 1923, accepted November 8, 1923 and filed with the Bureau of Land Management", as filed in Book 21 Surveys at Page 94, Solano County records: thence North 56°21'31" West 5,257.60 feet to a found monument, said monument being a 2 1/2" aluminum disk stamped "McGill'Martin'Self, Inc., Orinda CA, LS 6951", having California Coordinate System 1983, Zone 2 coordinates of N = 1,792,761.73 feet and E = 6,483,876.95 feet and located on the boundary of said Tract 38 as shown on said Record of Survey and the POINT OF BEGINNING of the herein described parcel; thence along said Tract 38 the following courses:

- 1) South 33° 00' 28" East 475.38 feet;
- 2) South 29° 45' 31" East 171.67 feet;
- 3) South 26° 30' 35" East 666.84 feet;
- South 22° 15' 40" East 323.53 feet;
- 5) South 01° 28' 51" West 250.92 feet;
- 6) North 72° 45' 01" East 329.99 feet;
- 7) South 43° 30' 18" East 488.54 feet;
- 8) South 35° 15' 26" East 653.65 feet;

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9) South 40° 00' 21" East 316.90 feet;

10) South 35° 45' 26" East 561.19 feet;

11) North 58° 29' 53" East 105.59 feet;

12) South 57° 40' 07" East 363.10 feet;

13) South 46° 45' 15 East 831.86 feet;

14) South 68° 45' 01" East 178.24 feet;

15) South 85° 59' 56" East 422.43 feet;

16) South 79° 14' 57" East 268.05 feet; thence leaving said Tract 38 boundary:

17) South 13° 13' 26" West 373.09 feet, more or less, to a point of intersection with the shoreline; thence southerly along the shoreline to a point of intersection with the boundary of lands granted to the United States of America in Chapter 1452, Statutes of 1963 as shown on that Map filed in Book 22 Maps at Page 44 Solano County Records and the shoreline, said intersection point bears South 08° 19' 46" West 775.21 from the northerly intersection of said shoreline and said course (17); thence along said grant boundary the following courses:

18) South 38° 08'25" East 652.07 feet;

19) South 79° 30' 03" West 12,096.47 feet;

20) North 15° 38' 14" West 13,456.71 feet;

21) North 40° 11' 47" East 5682.87 feet to a found iron pipe, AP 5, as shown on said Map; thence leaving said grant boundary and southeasterly along said Tract 38 boundary the following courses:

South 54° 49' 07" East 545.96 feet;

23) South 47° 15' 13" East 2,284.27 feet;

24) South 43° 00' 17" East 1,987.23 feet;

25) South 44° 45' 15" East 1,128.96 feet;

26) South 34° 07' 26" East 672.12 feet;

27) South 34° 30' 26" East 1,062.98 feet;

- 28) South 36° 45' 18" East 1,016.75 feet;
- 29) South 31° 30' 29" East 1,274.26 feet;
- 30) South 22° 45' 39" East 732.89 feet;
- 31) South 36° 15' 24" East 442.34 feet;
- 32) South 00° 13' 53" West 211.28 feet;
- 33) South 28° 00' 33" East 191.49 feet;
- 34) South 44° 45' 16" East 363.13 feet;
- 35) South 11° 22' 53" East 297.77 feet to the point of beginning.

EXCEPTING THEREFROM the following five parcels:

PARCEL 1

COMMENCING at said National Geodetic Survey monument "MARE ID SE 1852 1932" having California Coordinate System 1983, Zone 2, coordinates of N = 1,789,849.06 feet and E = 6,488,254.02 feet as shown on said Record of Survey as filed in Book 21 Surveys at Page 94, Solano County records, thence North 44° 14' 19" West 9,465.87 feet to a point on the boundary of Tract 38 as shown on said December 2

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Survey, said point having California Coordinate System 1983, Zone 2 coordinates of N = 1,796,630.82 feet and E = 6,481,650.19 feet and the POINT OF BEGINNING; thence leaving said Tract 38 the following courses:

1) South 52° 25' 26" West 587.98 feet;

2) North 32° 36' 18" West 1,495.78 feet;

3) South 44° 01' 44" West 1,879.85 feet;

4) North 41° 22' 20" West 457.80 feet;

5) North 77° 16' 05" West 117.60 feet;

6) North 56° 43' 17" West 89.23 feet;

North 30° 16' 10" West 239.75 feet;

8) North 50° 16' 00" West 199.24 feet;

9) North 56° 23' 01" West 777.41 feet;

10) North 29° 54' 12" West 141.37 feet to a point on the South line of Option Area 3 as shown on that Record of Survey for the US Fish and Wildlife Service recorded in Book 23 Surveys at Page 21, Solano County Records; thence along said line:

11) South 60° 04' 53" West 201.07 feet;

12) North 29° 37' 02" West 732.20 feet to the southwest corner of Option Area 2 as shown on said Record of Survey; thence along the West line of said Option Area 2:

13) North 28° 37' 05" West 458.60 feet to the northwest corner of said Option Area 2; thence along the North line of said Option Area 2:

14) North 59° 43' 16" East 594.31 feet to the northwest corner of Option Area 1 as shown on said Record of Survey; thence along the North line of said Option Area 1:

15) North 55° 39' 20" East 1,569.98 feet to the northeast corner of said Option Area 1; thence leaving said North line:

16) North 55° 39' 20" East 397.67 feet to the boundary of said Tract 38 as shown on said Record of Survey; thence along said Tract 38 boundary the following courses:

17) South 43° 00' 17" East 1,334.09 feet;

18) South 44° 45' 15" East 1,128.96 feet;

19) South 34° 07' 26" East 672.12 feet;

20) South 34° 30' 26" East 1,056.39 feet to the point of beginning.

PARCEL 2

COMMENCING at said National Geodetic Survey monument "MARE ID SE 1852 1932" having California Coordinate System 1983, Zone 2, coordinates of N = 1,789,849.06 feet and E = 6,488,254.02 feet as shown on said Record of Survey as filed in Book 21 Surveys at Page 94, Solano County records, thence North 44°14'19" West 9,465.87 feet to a point on the boundary of Tract 38 as shown on said Record of Survey, said point having California Coordinate System 1983, Zone 2 coordinates of N = 1,796,630.82 feet and E = 6,481,650.19 feet and

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001176 Minute page the POINT OF BEGINNING; thence leaving said Tract 38 the following courses:

- 1) South 52° 25' 26" West 530.51 feet;
- 2) South 34° 33' 18" East 1,226.47 feet;
- South 77° 17' 20" West 328.82 feet;
- South 26° 15' 37" West 270.20 feet;
- 5) South 03° 48' 52" East 139.18 feet;
- 6) South 32° 42' 16' East 462.36 feet;
- North 63° 19' 43" East 380.55 feet;
- 8) South 32° 19' 26" East 611.22 feet;
- South 27° 57' 05" East 361.53 feet;
- 10) South 34° 35' 37" East 227.83 feet;
- 11) North 56° 07' 17" East 233.24 feet;
- 12) South 58° 02' 45" East 222.30 feet;

13) South 62° 19' 18" East 440.70 feet to a point on said Tract 38 boundary; thence along said boundary the following courses:

- 14) North 58° 33' 36" East 24.71 feet;
- 15) North 28° 00' 33" West 65.73 feet;

16) North 00° 13' 53" East 211.28 feet;

- 17) North 36° 15' 24" West 442.34 feet;
- 18) North 22° 45' 39" West 732.89 feet;
- 19) North 31° 30' 29" West 1,274.26 feet;
- 20) North 36° 45' 18" West 1,016.75 feet;

21) North 34° 30' 26" West 6.59 feet to the point of beginning.

PARCEL 3

COMMENCING at said National Geodetic Survey monument "MARE ID SE 1852 1932" having California Coordinate System 1983, Zone 2, coordinates of N = 1,789,849.06 feet and E = 6,488,254.02 feet as shown on said Record of Survey as filed in Book 21 Surveys at Page 94, Solano County records, thence North 68°17'05" West 3,556.41 feet to a point on the boundary of Tract 38 as shown on said Record of Survey, said point having California Coordinate System 1983, Zone 2 coordinates of N = 1,791,164.92 feet and E = 6,484,950.01 feet and being the POINT OF BEGINNING; thence along said Tract 38 the following courses:

- 1) South 72°45'01" West, 329.99 feet;
- 2) North 01°28'51" East, 250.92 feet;
- 3) North 22°15'40" West, 323.53 feet;
- North 26°30'35" West, 666.84 feet;
- 5) North 29°45'31" West, 171.67 feet;
- 6) North 33°00'28" West, 475.38 feet;
- 7) North 11°22'53" West, 297.77 feet;
- 8) North 44°45'16" West, 363.13 feet;

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North 28°00'33" West, 125.76 feet;

10)South 58°33'36" West, 24.71 feet;

11) North 62°19'18" West, 440.70 feet;

12) North 58°02'45" West, 222.30 feet; thence leaving said Tract 38

13) South 56°07'17" West, 39.42 feet;

14) South 53°43'26" East, 448.89 feet to the beginning of a tangent curve concave to the West;

15) thence southerly along the arc of said curve a distance of 311.86 feet, through a central angle of 77°41'17" and having a radius of 230.00 feet;

16) South 23°57'51" West, 522.94 feet;

17) South 48°31'45" West, 142.49 feet;

18) South 59°53'21" West, 182.88 feet to a monument on the boundary line as shown on that Record of Survey for the US Fish and Wildlife Service filed in Book 23 Surveys at Page 21, Solano County Records; thence along a said line the following courses:

19) South 35°23'15" East, 283.00 feet;

20) South 76°49'07" East, 126.64 feet;

21) South 35°32'20" East, 429.98 feet;

22) South 54°27'00" West, 83.80 feet;

23) South 35°28'36" East, 195.67 feet;

24) North 54°33'40" East, 83.01 feet;

25) South 35°28'43" East, 465.20 feet;

26) South 54°24'01" West, 83.18 feet;

27) South 35°28'45" East, 135.19 feet;

North 54°20'22" East, 82.77 feet;

29) South 35°38'07" East, 364.61 feet;

30) South 54°49'22" West, 83.70 feet;

31) South 35°36'39" East, 135.72 feet;

32) North 53°54'43" East, 81.36 feet;

33) South 35°45'39" East, 368.16 feet;

34) South 54°26'50" West, 83.37 feet;

35) South 35°32'37" East, 135.40 feet;

North 54°35'23" East, 82.05 feet;

37) South 35°40'56" East, 416.43 feet;

38) South 53°45'22" West, 83.91 feet;

39) South 35°28'48" East, 135.26 feet;

40) North 54°35'13" East, 83.43 feet;

41) South 35°30'37" East, 363.95 feet;

42) South 54°40'12" West, 85.48 feet;

43) South 35°19'34" East, 138.90 feet;

44) North 54°34'42" East, 84.59 feet;

45) South 35°49'01" East, 189.59 feet to the beginning of a nontangent curve concave to the northeast and from which the radius of said curve bears North 56°52'15" East;

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46) southeasterly along the arc of said curve a distance of 318.52 feet through a central angle of 67°02'52" and having a radius of 272.19 feet;

47) South 03°11'10" East, 41.91 feet to a point on said US Fish and Wildlife Service line; thence leaving said US Fish and Wildlife Service line and continuing,

48) South 03°11'10" East 19.11 feet;

49) North 80°32'17" East, 583.10 feet to the beginning of a tangent curve concave to the southwest;

50) southeasterly along the arc of said curve a distance of 207.22 feet, through a central angle of 69°50'29" and having a radius of 170.00 feet;

51)South 29°37'14 East, 194.67 feet to the beginning of a tangent curve concave to the northeast;

52) southeasterly along the arc of said curve a distance of 33.07 feet, through a central angle of 47°22'12" and having a radius of 40.00 feet;

53) South 76°59'26" East, 558.25 feet;

54) South 52°37'59" East, 290.97 feet;

55) North 02°11'27" East, 236.59 feet to a point on said Tract 38; thence along said Tract 38 the following courses:

- 56) North 46°45'15" West, 655.18 feet;
- 57) North 57°40'07" West, 363.10 feet;
- 58) South 58°29'53" West, 105.59 feet;
- 59) North 35°45'26" West, 561.19 feet;
- 60) North 40°00'21" West, 316.90 feet;
- 61) North 35°15'26" West, 653.65 feet;
- 62) North 43°30'18" West, 488.54 feet to the point of beginning.

PARCEL 4

COMMENCING at said National Geodetic Survey monument "MARE ID SE 1852 1932" having California Coordinate System 1983, Zone 2, coordinates of N = 1,789,849.06 feet and E = 6,488,254.02 feet as shown on said Record of Survey as filed in Book 21 Surveys at Page 94, Solano County records, thence South 49°07'08" West 2,752.86 feet to the POINT OF BEGINNING, said point having California Coordinate System 1983, Zone 2 coordinates of N = 1,788,047.33 feet and E = 6,486,172.672 feet; thence from said point of beginning the following courses:

- 1) North 31° 07' 11" West 106.25 feet;
- 2) North 05° 21' 29" West 135.82 feet;
- North 82° 22' 27" West 93.98 feet;
- 4) South 57° 39' 43" West 146.80 feet;
- 5) South 25° 43' 32" West 230.55 feet;
- 6) South 31° 07' 11" East 158.18 feet ;
- 7) North 58° 52' 49" East 354.05 feet to the point of beginning.

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PARCEL 5

COMMENCING at said National Geodetic Survey monument "MARE ID SE 1852 1932" having California Coordinate System 1983, Zone 2, coordinates of N = 1,789,849.06 feet and E = 6,488,254.02 feet as shown on said Record of Survey as filed in Book 21 Surveys at Page 94, Solano County records, thence South 54°04'33" West 1,462.89 feet to the boundary of Tract 38 as shown on said Record of Survey, said point having California Coordinate System 1983, Zone 2 coordinates of N = 1,788,990.77 feet and E = 6,487,069.39 feet and the POINT OF BEGINNING; thence along said Tract 38 the following courses:

1) South 46° 45' 15" East 176.68 feet;

2) South 68° 45' 01" East 178.24 feet;

3) South 85° 59' 56" East 422.43 feet;

4) South 79° 14' 57" East 268.05 feet; thence leaving said Tract 38 boundary:

5) South 13° 13' 26" West 373.09 feet, more or less, to a point of intersection with the shoreline; thence southerly along the shoreline to a point of intersection with the boundary of lands granted to the United States of America in Chapter 1452, Statutes of 1963 and the shoreline as shown on that Map filed in Book 22 Maps at Page 44 Solano County Records, said point bears South 08° 19' 46" West 775.21 from the northerly intersection of said shoreline and said course (17); thence along said grant boundary the following courses:

6) South 38° 08'25" East 652.07 feet

7) South 79° 30' 03" West 1,639.84 feet; thence leaving said grant boundary:

8) North 07° 56' 47" West 57.78 feet to the southwest monument as shown on said Record of Survey as filed in Book 23 Surveys at Page 21, Solano County records; thence along said boundary the following courses:

9) North 07° 56' 47" West 207.89 feet;

10) South 85° 55' 04" West 511.61 feet;

11) North 21° 11' 34" West 827.72 feet; thence leaving said Record of Survey the following courses:

12) North 58° 52' 49" East 630.17 feet;

13) North 62° 51' 47" East 308.80 feet;

14) North 68° 06' 14" East 394.46 feet;

15) North 34° 38' 21" East 87.98 feet;

16) South 63° 08' 18" East 26.08 feet;

17) North 02° 11' 27" East 534.74 feet to the point of beginning.

 This description is based on California Coordinate System 1983, Zone

 2. All distances are grid and in feet (grid to ground scale factor

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