



PORT OF OAKLAND

April 7, 2006

Mr. Max Shahabzian
California Regional Water Quality Control Board
San Francisco Bay Region
1515 Clay Street, Suite 1400
Oakland, California 94612

Alameda County
APR 12 2006
Environmental Health

Subject: Regulatory Oversight During APL Redevelopment Project
American President Lines (APL)/Former Union Pacific (UP) Roundhouse
Overlap Area
Port of Oakland

Dear Mr. Shahabzian:

Pursuant to our conversation on March 13, 2006, the purpose of this letter is to formally request that the California Regional Water Quality Control Board, San Francisco Bay Region (RWQCB) temporarily cede environmental regulatory oversight responsibilities to the Alameda County Health Care Services Agency (Alameda County) for a 3.2-acre portion of the former UP Roundhouse site during the Port of Oakland's (Port) upcoming redevelopment of Berths 60-63, commonly referred to as the American President Lines (APL) Terminal (see attached Figure 1).

The goal of this request is to simplify regulatory coordination and avoid potential inconsistent regulatory requirements imposed on the Port during the projected three year redevelopment period. Presented below is a description of past and current oversight responsibilities, a summary of activities at the former UP Roundhouse site, and the proposed application and management of mitigation measures for the area of the proposed APL redevelopment project that extends onto the former UP Roundhouse site.

The RWQCB is currently regulating the Port's activities at the Former UP Roundhouse site. This approximately 44-acre site has been regulated by several agencies, as follows:

- From 1991-1997, Alameda County regulated the removal of underground storage tanks and groundwater monitoring.
- From 1996 to the present, the RWQCB regulated the Port's site characterization, groundwater monitoring, and risk management activities.
- From July 2004-2005, the U.S. Environmental Protection Agency (U.S. EPA) regulated the Port's investigation and mitigation of a petroleum discharge into the Oakland Estuary under a Notice of Federal Interest.

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The proposed APL redevelopment project extends over an area of 80 acres, of which 3.2 acres overlap (the "overlap area") on the east with the former UP Roundhouse site. The Port previously characterized the overlap area during investigations of the former UP Roundhouse site under the oversight of the RWQCB and the U.S. EPA, and no additional investigation is

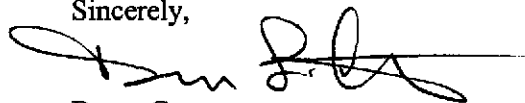
necessary at this time. As a result of these investigations, the Port has completed agency directed remedial measures within the non-overlap area including installation of water-tight storm drain lines in identified product areas, construction of impermeable barriers transverse to utility lines to remove potential product migration pathways, and backfilling utility trenches with low-permeability controlled density fill in areas of known or suspected product areas. These remedial measures are also incorporated into the engineering design for subsurface utility lines in the overlap area.

As directed by the RWQCB, specific soil and groundwater management procedures are required for any future construction activities at the former UP Roundhouse site involving subsurface intrusion. These procedures are established in the November 2005 Site Management Plan (SMP) for the former UP Roundhouse site and are applicable to the overlap area. The SMP has been incorporated into the specifications for the APL redevelopment project for the overlap area, and, as required, will be distributed to all Port and contractor personnel who will be engaged in the redevelopment project. The Port will also distribute the SMP to Alameda County to assist it with regulatory oversight responsibilities during the redevelopment period.

The Port believes that multi-jurisdictional regulatory oversight for the APL redevelopment project is not necessary and requests that oversight be solely provided by Alameda County. The County has already indicated a willingness to provide oversight to the 80-acre project on September 30, 2005 (letter communication to the Port) and further requested a written transfer of responsibility from the RWQCB to the County on March 2, 2006 (further letter communication to the Port). The Port requests the temporary transfer of jurisdiction from the RWQCB to Alameda County for the overlap area. The remainder of the former UP Roundhouse site will remain under RWQCB jurisdiction during the temporary transfer period and thereafter.

We appreciate your prompt consideration of this request. Please feel free to call me at 510-627-1185 if you have any questions.

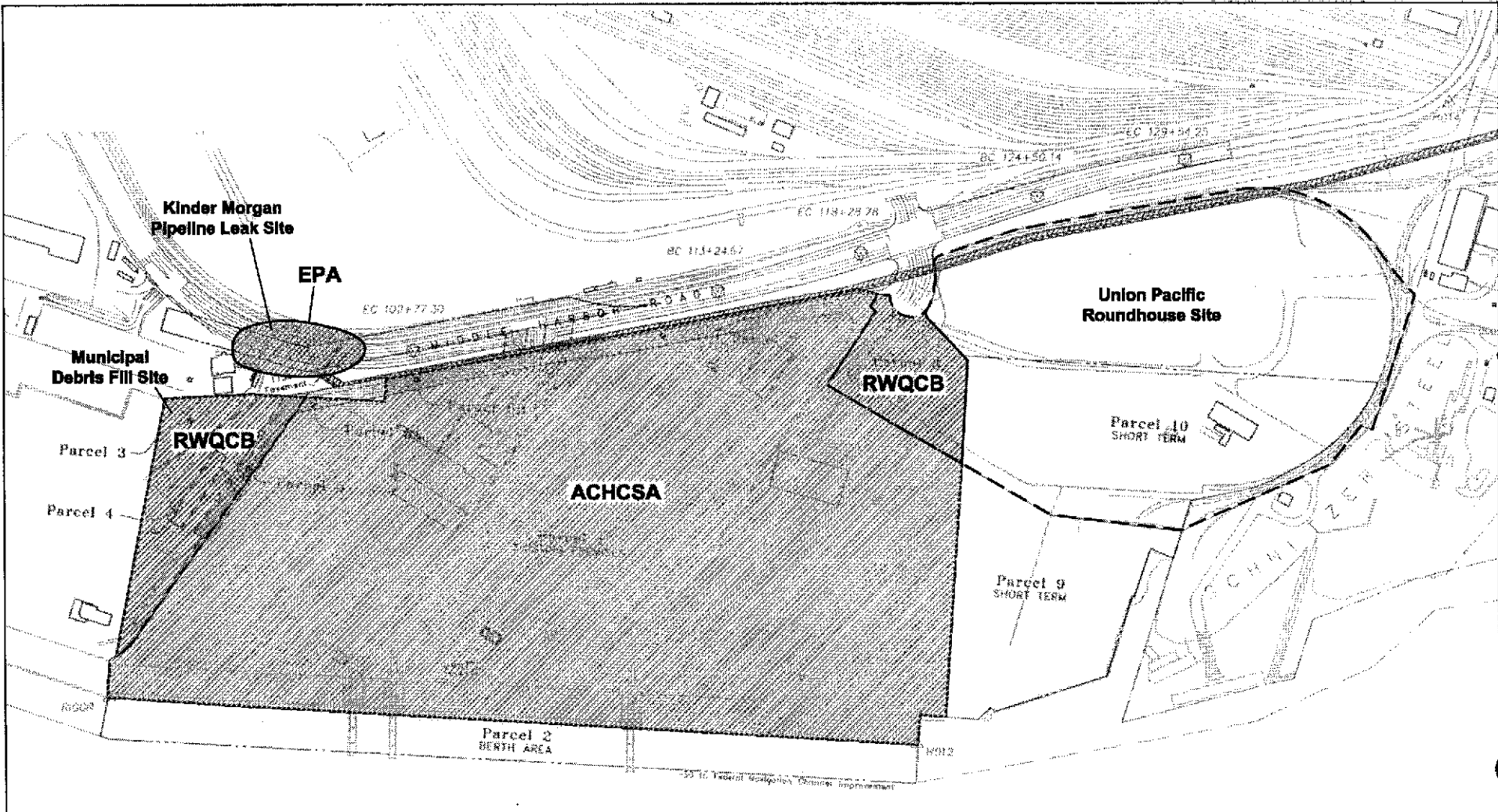
Sincerely,







Dawn Crater
Port Environmental Scientist

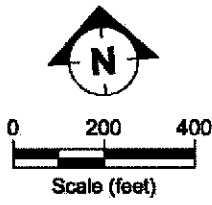
Attachments: Figure 1 – APL/Roundhouse Overlap Area


cc w/ attachments: Barney Chan, Alameda County Health Care Services
John Prall, Port of Oakland
Michele Heffes, Port of Oakland



LEGEND

-  UNION PACIFIC ROUNDHOUSE SITE
-  ENVIRONMENTAL PROTECTION AGENCY
-  REGIONAL WATER QUALITY CONTROL BOARD
-  ALAMEDA COUNTY HEALTH CARE SERVICES AGENCY



REGULATORY PURVIEW	
PORT OF OAKLAND APL TERMINAL REDEVELOPMENT PROJECT OAKLAND, CALIFORNIA	
	Date: 03/01/2006
	Figure: 1
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