The Navy continues to excavate abrasive blast material (ABM) at Installation Restoration Site 4 (IR04) as part of a time-critical removal action (TCRA). As of October 19, 2007, a total of 835 truck loads (approximately 16,700 cubic yards) of ABM at depths of up to 15 feet below ground surface have been removed and transported to the Investigation Area (IA) H1 Containment Area. The ABM from IR04 is being used as fill under the engineered Containment Area cap. A total of 1,249 truck loads of imported fill (approximately 17,500 cubic yards) have been imported to the IR04 site. Excavations are ongoing and being backfilled at the end of each day. Excavation and backfilling at IR04 is expected to be completed by November 3, 2007. Vegetation clearing was performed at the Paint Waste Area under the direction of the United States Fish and Wildlife Service-approved biologist. During the subsequent background radiological survey, a large number of anomalies were detected. Upon investigation of these anomalies, a total of 78 RAD buttons (mostly “cat eyes”) have been recovered, nearly all in the northeastern portion of the site. The background radiological survey of the remaining portion of the site is pending.

Field work supporting the Navy’s follow-on investigations at the Defense Reutilization and Marketing Office (DRMO) site will resume on October 29, 2007. This project supports the continued comprehensive investigation of total petroleum hydrocarbons along portions of Azuar Drive and Dump Road. Tenant and homeowner notifications were issued to alert drivers to possible road closures on Azuar Drive and Dump Road prior to the work beginning. Trenching will begin near Dump Road, adjacent to the Crane Test Area and will continue through November 2007. The trenching will start along the sanitary sewer, followed by Dump Road and finishing along Azuar Drive. The duration of the follow-on investigation for the DRMO is about three weeks.
3.0 DOCUMENT SUBMITTALS AND PROGRESS OF REGULATORY REVIEW

The Navy submitted two documents during this reporting period:

- Draft Final Fiscal Year 2008 Site Management Plan
- Final TCRA Completion Report for Marine Corps Firing Range and Historical Outfall 4S

The Department of Toxic Substances Control (DTSC) provided comments on the following document:


The U.S. Environmental Protection Agency (EPA) provided comments on the following document:

- Draft Geophysical Investigation for Production Manufacturing Area and South Shore Areas

The San Francisco Bay Regional Water Quality Control Board (Water Board) provided comments on the following documents:

- Draft Geophysical Investigation for Production Manufacturing Area and South Shore Areas
- Draft Final Expanded Site Inspection Report Building 742, Former Degreaser Plant IA C2
- Draft Work Plan Site Remediation Activities Former Underground Storage Tank (UST) Site 993-4 and Sampling of Various UST Sites

RPM meetings are held regularly with the Navy, EPA, DTSC, and Water Board to discuss environmental cleanup progress at Mare Island. The next RPM meeting will be held on November 29, 2007.

Year-To-Date Progress

The documents presented in the table below include only documents that address sites where the Navy remains responsible for the completion of cleanup work.

<table>
<thead>
<tr>
<th>Number of Documents Submitted by the Navy in 2007</th>
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<tr>
<td>Number of DTSC Comments Received by the Navy in 2007</td>
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<tr>
<td>Number of EPA Comments Received by the Navy in 2007</td>
<td>5</td>
</tr>
<tr>
<td>Number of Water Board Comments Received by the Navy in 2007</td>
<td>14</td>
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4.0 POTENTIAL EARLY TRANSFER PARCELS

Discussions with the City of Vallejo on the early transfer of the remaining untransferred Economic Development Conveyance property resumed in March 2007 and various meetings have taken place. The City of Vallejo continues to work with Touro University on the redevelopment of portions of the north end of the island. The Navy’s goal is to include all remaining properties scheduled for transfer to the City of Vallejo in one early transfer as well as to transfer the responsibility for the environmental cleanup of those parcels under an Early Transfer Cooperative Agreement. The proposed transfer includes the north end of the island (Parcels II and XV-B (1), DRMO Area (Parcel XVII), Marine Corps Firing Range Site (Parcel XIX), Reuse Area 10 (Parcels V and VI), and the remainder of Regional Park (Parcels VII-B and X-B).

The Navy expects to issue a Finding of Suitability for Early Transfer to describe the proposed early transfer project after the necessary agreements have been executed to allow the early transfer to proceed. A tentative schedule has been established to accomplish the early transfer in early 2008.