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**BY EMAIL,
ORIGINAL BY USPS**

June 26, 2015

Heather McLaughlin, Esq.
City Attorney
City of Benicia
250 East L Street
Benicia, CA 94510

Re: Workplan for semi-annual air quality testing

Dear Heather:

As you know, I represent Historic Arsenal Park, LLC (“HAP”), the owner of the “50 Series Complex” at the Arsenal. Thank you for the discussion last week about the purpose of the draft map and proposed workplan to sample sewers. Mr. Campbell of my client’s environmental consultant, AEI Consultants, is discussing the proposal with Mr. Chen of ERS, the City’s consultant. In principle, we agree with the purpose of making some forward progress on identifying and remediating the sources of the vapor intrusion on my client’s property.

DTSC has asked my client to prepare a workplan for semi-annual air sampling to confirm that controls are working. Mr. Herrmann of DTSC has asked for the plan by June 30, 2015. Enclosed is a draft (with an edit) of the draft workplan. We would like the City’s concurrence with the proposed scope of work.

We would also appreciate the City’s participation in the cost of this next round of sampling and testing. We will have a budget number for you as soon as DTSC approves the workplan.

I recognize that this is somewhat short notice. However, as we know, HAP (with close coordination with DTSC) has designed, constructed, and tested successful mitigation measures at the Complex. These resulted in the uniformly (with one or two exceptions) of the “below-RSL” results that exist today. As a result, perhaps a couple of

Heather McLaughlin, Esq.
June 26, 2015
Page 2 of 2

days for review by the City's people would be enough.

We believe that this workplan will be approved and DTSC will authorize the work to be done soon. But, we would appreciate any comments the City may have on this proposed workplan. If the City needs a couple of more days, we anticipate that some additional time would be agreeable to DTSC. Please let us know as soon as you can.

There is one additional matter. I wrote to you in April as to the need for corrections in the site history being published by ERS. At the meeting we had with the consultants for the City and the Army to go over the proposed source investigation – based on a map by ERS – I learned that we should expect a letter from the City that addresses the needed corrections. A copy of our April letter is also enclosed, for your reference. Please let us know the status of our request.

Very truly yours,


James R. Arnold

Encls.

- Draft work plan for semi-annual air quality testing
- Letter, April 15, 2015

Cc (w/encls.):

- Client
- AEI



AEI Consultants

Environmental & Engineering Services

June 25, 2015

Martin G. Herrmann, P.E.
Department of Toxic Substances Control
8800 Cal Center Drive
Sacramento, California 95826

Subject: Air Sampling Plan
Benicia Arsenal 50 Series Complex
Benicia, California
DTSC Docket No. I/SE RAO 13/14-008
AEI Project No. 326669

Dear Mr. Herrmann:

AEI Consultants (AEI) is pleased to provide this letter which describes the proposed air sampling plan for the Subject Property at Benicia Arsenal 50 Series Complex (Figures 1 and 2). AEI has been retained by Historic Arsenal Park, LLC to provide environmental field and consulting services relating to the above referenced matter.

The *Additional Air Sampling Report* dated April 29, 2015 by AEI was accepted on May 4, 2015 by the Department of Toxic Substances Control (DTSC). The maps and table from the report are attached. In a letter dated April 24, 2015, the DTSC indicated that semi-annual sampling will be required as long as the mitigation measures are needed and that the spatial pattern of trichloroethene (TCE) in indoor air samples suggests that future sampling can be reduced to target known higher risk areas. The submission of a sampling plan was requested and this letter is being submitted to fulfil that request.

Sampling Plan

The following sample locations are proposed for sampling on a semi-annual basis. One first floor location was chosen within each occupied building. First floor sampling points were selected as representative of areas that are routinely occupied under the commercial use scenario closest to migration pathways from the subsurface. Refer to the attached figure and table for the sample locations and for the previous sample results. The semi-annual sampling is proposed for the collection of samples mid-year (June to July) and at the beginning of the year (January to February).

- Building 56: IA-26
- Building 56A(south): IA-24
- Building 56A(east): IA-1
- Building 56A(west): IA-5
- Building 57: IA-4
- Outdoor Air: OA-2

- QA/QC: 1 Duplicate sample will be collected

The sampling will be conducted in accordance with the guidelines outlined in the DTSC Guidance for Evaluation and Mitigation of Subsurface Vapor Intrusion to Indoor Air (Vapor Intrusion Guidance) dated October 2011.

During the sampling, the status of the operation of HVAC system will be noted, as will be the indoor or outdoor temperature and the type of flooring beneath each sample. A survey for potential sources of indoor air contamination in the area of the sample collection will be conducted.

The air samples will be collected from within the breathing zone; approximately 3 to 5 feet above the ground surface. The air sampling equipment will be provided by a state-certified laboratory. The air samples will be collected using 6-liter capacity Summa canisters equipped with a flow controller. Each canister will be individually checked, tested and certified by the laboratory for air tightness and proper vacuum prior to shipping. The flow controller will be calibrated by the laboratory to allow for air samples to be collected over an 8-hour period.

The initial vacuum for each Summa canister will be checked and recorded prior to beginning sampling activities. After the vacuum is recorded, the air sample collection will begin and the air sample will be drawn into the summa canister, through a dedicated flow controller. Following the designated time period of sample collection, each summa canister will be sealed with a slight vacuum remaining. Once the final vacuum is recorded, the sample collection will cease and the valve to each summa canister will be closed. The Summa canister intakes will then be sealed with an air-tight cap.

Indoor Air Sampling Laboratory Analysis

All air samples will be transferred under appropriate chain-of-custody documentation and analyzed by a state-certified laboratory. The samples will be analyzed by TO-15 Indoor Air for the following contaminants of concern (COC) compounds:

- Tetrachloroethene (PCE)
- Trichloroethene (TCE)
- cis-1,2-Dichloroethene (cis-1,2-DCE)
- trans-1,2-Dichloroethene (trans-1,2-DCE)
- 1,1-Dichloroethene (1,1-DCE)
- Vinyl Chloride (VC)
- Benzene, Toluene, ethyl benzene, and xylenes (BTEX)

Schedule and Reporting

Assuming approval of this sampling workplan, the next episode of routine testing will be conducted in July 2015. Semi-annual sampling frequency has been requested. The need for continued sampling will be evaluated regularly with each event. The results of each event will be provided in tabular form and letter report approximately one month following the collection of the samples.

Limitations

This work plan presents a scope of work by AEI Consultants. This work plan may include observations and descriptions of site conditions. Where appropriate, it includes analytical results for samples taken during the course of work. The number and location of samples are chosen to provide requested information, but it cannot be assumed that they are entirely representative of all areas not sampled. All conclusions and recommendations are based on these analyses, observations, and the governing regulations. Conclusions beyond those stated and reported herein should not be inferred from this document. These services were and any planned work will be performed in accordance with generally accepted practices in the environmental engineering and geology fields that existed at the time and location of the work. No other warranty, either expressed or implied, has been made.

If there are any questions regarding our investigation, please do not hesitate to contact Peter McIntyre or Bryan Campbell at (925)746-6000.

Sincerely,
AEI Consultants

DRAFT

Bryan Campbell, PG, CHG
Project Manager

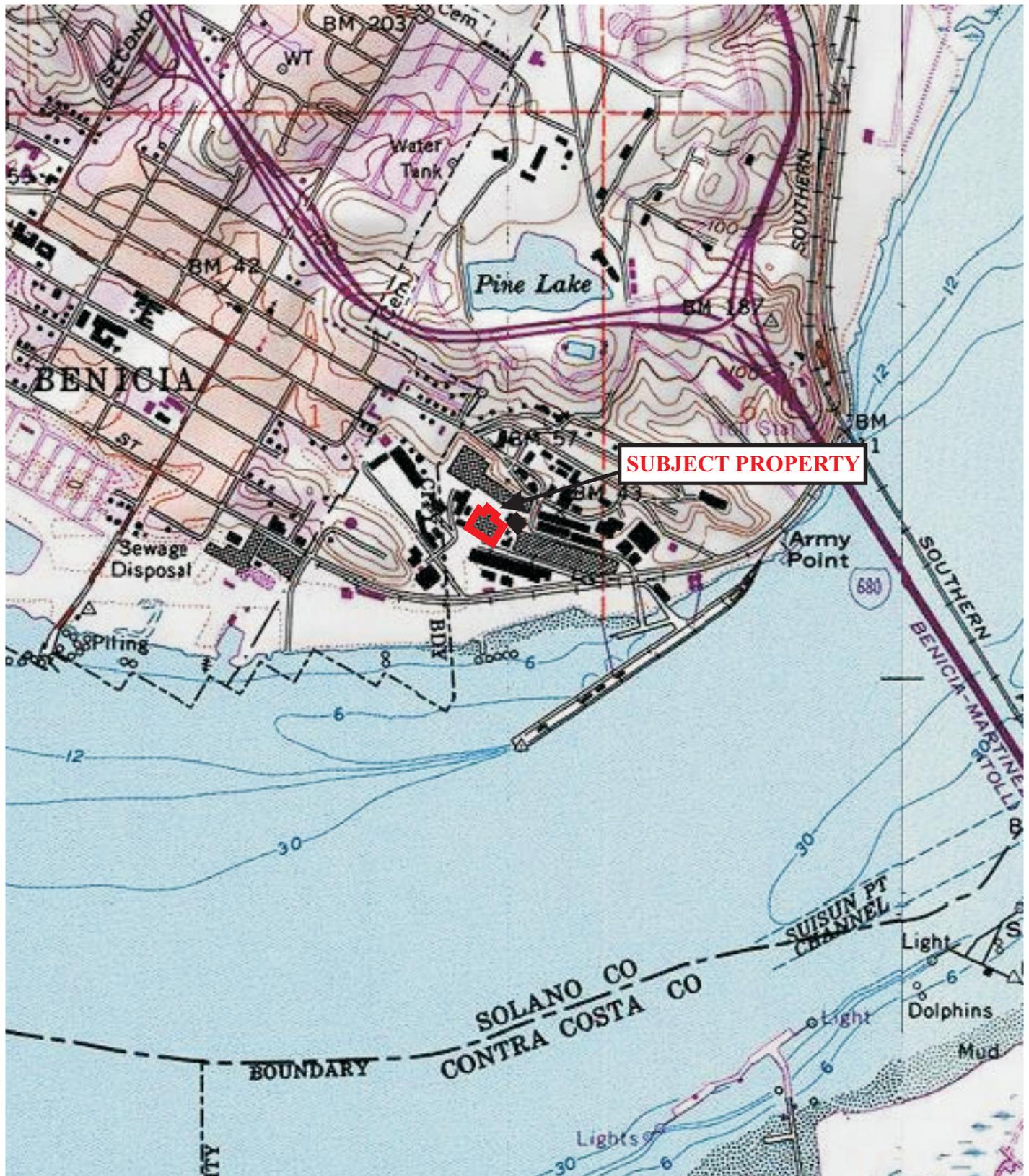
Figures

Figure 1: Site Location Map
Figure 2: Site Map

Tables

Table 1: Air Sample Data Summary

FIGURES



SUBJECT PROPERTY

LEGEND



Source: USGS

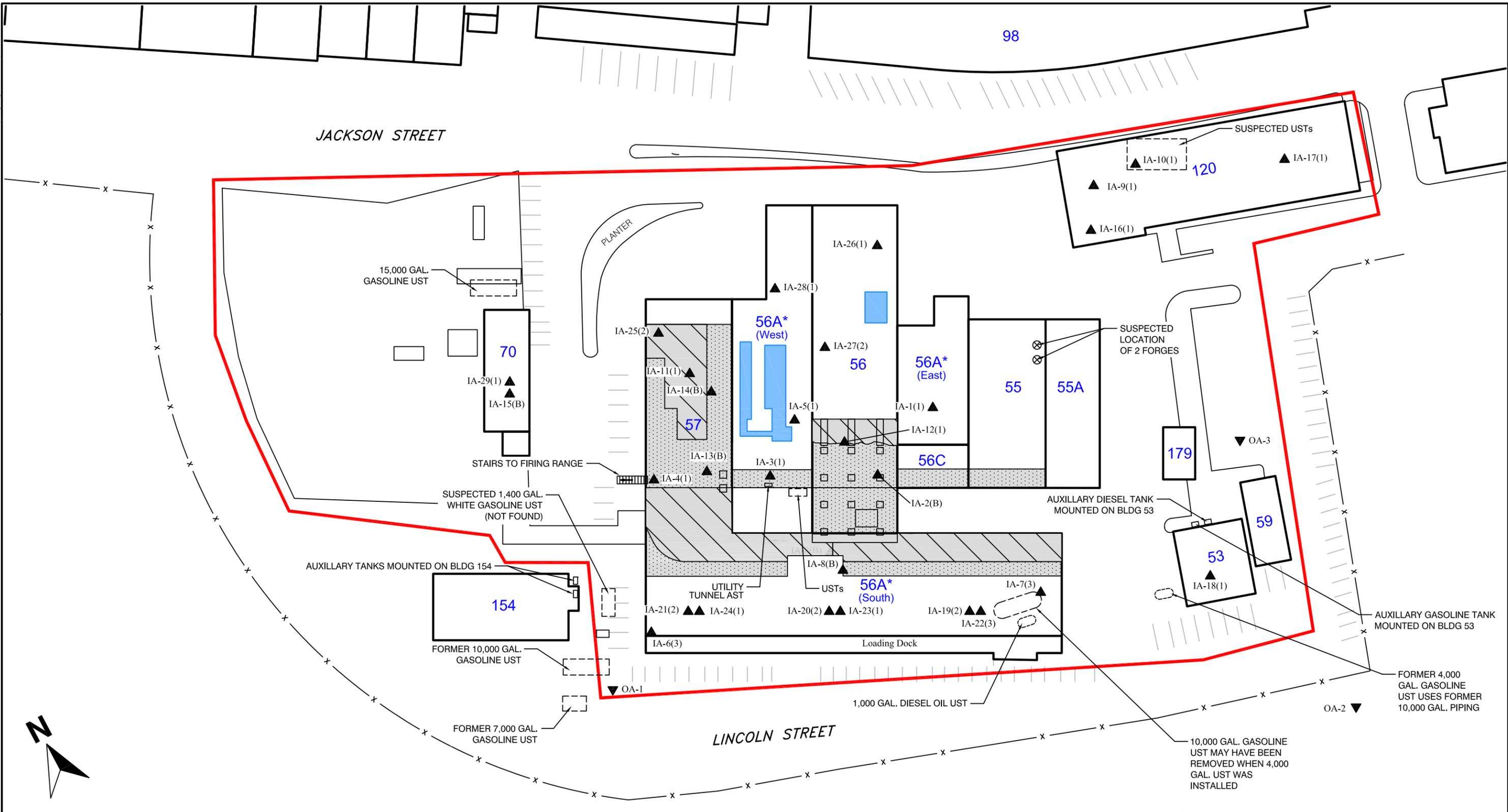
AEI CONSULTANTS

2500 CAMINO DIABLO, WALNUT CREEK, CALIFORNIA

SITE LOCATION MAP

Benicia Arsenal 50 Series Complex
Benicia, California

FIGURE 1
Project No. 326669

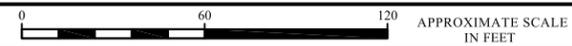


LEGEND

IA-8(B) ▲ Indoor Air Sample Location, (1, 2, or 3) Floor, (B) Basement
 OA-1 ▼ Outdoor Air Sample Location

— Subject Property
 154 Building Number
 Former Cleaning Vats/Dip Tanks
 Basement With Crawl Space Only
 50 Series Complex Basement Area

NOTE:
 - Basement Areas are from the Field Investigation Plan, 50 Series Complex dated August 1999 by Brown and Caldwell, Figure I5-4
 - Former Cleaning Vats/Dip Tanks are from Area I 50 Series Complex, Site Investigation Report dated October 2004 by Forsgren Associates/Brown and Caldwell, Figure 1-4
 - Base Map Sources: Google Earth, Image Date 08/23/2014
 * Building 56A designation used historically for facilities in buildings adjacent to Building 56



AEI CONSULTANTS

2500 CAMINO DIABLO, WALNUT CREEK, CALIFORNIA

SITE MAP

Historic Arsenal Park, LLC
 Benecia, California

FIGURE 2
 Project No. 326669

TABLES

TABLE 1: AIR SAMPLE DATA SUMMARY
Benicia Arsenal 50 Series Complex, Benicia, California

Location ID	Date	Building Number/Floor	Height (feet ags)	Sampling Type	PCE (µg/m ³)	TCE (µg/m ³)	cis-1,2-DCE (µg/m ³)	trans-1,2-DCE (µg/m ³)	1,1-DCE (µg/m ³)	Vinyl Chloride (µg/m ³)	Benzene (µg/m ³)	Toluene (µg/m ³)	Ethylbenzene (µg/m ³)	Xylenes (µg/m ³)
Comparison Values:														
RSLs (Residential Air)				24-Hour	0.41*	0.48	--	--	210	0.17	0.36	5,200	1.1	100
RSLs (Industrial Air)				8-Hour	2.08*	3.0	--	--	880	2.8	1.6	22,000	4.9	440
Indoor Air														
IA-1	3/4/2014	56A(east)/First	4	8-Hour	0.18	1.7	<0.40	<0.40	<0.10	<0.0026	1.4	6.1	8.3	40
IA-1	6/19/2014	56A(east)/First	4	8-Hour	0.17	0.69	<0.40	<0.40	<0.10	0.0030	0.51	1.7	0.46	1.9
IA-1	2/5/2015	56A(east)/First	4	8-Hour	<0.25	0.32	<0.091	<0.28	<0.21	<0.0026	1.8	9.8	4.1	21
IA-1 DUP	2/5/2015	56A(east)/First	4	8-Hour	<0.25	0.24	<0.091	<0.28	<0.21	<0.0026	1.8	11	4.8	23
IA-2	3/4/2014	56/Basement*	3.5	8-Hour	0.25	2.5	<0.40	<0.40	<0.10	<0.0026	1.6	7.0	8.0	39
IA-2	6/19/2014	56/Basement*	4	8-Hour	0.24	7.6	<0.40	<0.40	<0.10	<0.0026	0.40	1.5	0.70	3.4
IA-2	2/5/2015	56/Basement*	4	8-Hour	<0.25	3	<0.091	<0.28	<0.21	<0.0026	0.89	4.1	2.00	13
IA-3	3/4/2014	56A(west)/First	3.75	8-Hour	0.33	22	2.0	0.62	<0.10	<0.0026	0.71	3.4	0.82	3.7
IA-3	6/19/2014	56A(west)/First	4	8-Hour	0.10	0.38	<0.40	<0.40	<0.10	<0.0026	0.26	1.9	0.44	<1.3
IA-3	2/5/2015	56A(west)/First	4	8-Hour	<0.25	0.64	<0.40	<0.40	<0.10	<0.0026	0.86	3.7	0.83	3.9
IA-4	3/4/2014	57/First	3.75	8-Hour	0.26	75	0.7	<0.40	<0.10	<0.0026	0.78	3.9	1.8	6.7
IA-4	6/19/2014	57/First	4	8-Hour	0.084	2.3	<0.40	<0.40	<0.10	<0.0026	0.35	1.0	<0.44	<1.3
IA-4	2/5/2015	57/First	4	8-Hour	<0.25	0.97	<0.40	<0.40	<0.10	<0.0026	0.83	3.7	1.3	3.7
IA-5	3/4/2014	56A(west)/First	4	8-Hour	0.27	7.7	<0.40	<0.40	<0.10	<0.0026	0.71	4.4	67	34
IA-5	6/19/2014	56A(west)/First	4	8-Hour	0.095	0.80	<0.40	<0.40	<0.10	<0.0026	0.41	1.8	1.3	6.9
IA-5	2/5/2015	56A(west)/First	4	8-Hour	<0.25	1.20	<0.091	<0.28	<0.21	<0.0026	0.93	5.7	1.7	11
IA-6	3/4/2014	56A(south)/Third	3.75	24-Hour	0.34	0.68	<0.40	<0.40	<0.10	<0.0026	0.52	2.6	0.46	1.2
IA-7	3/4/2014	56A(south)/Third	3.75	24-Hour	0.2	0.91	<0.40	<0.40	<0.10	<0.0026	0.96	4.5	0.88	4.0
IA-8	3/4/2014	56A(south)/Basement*	3.75	8-Hour	0.3	2.5	<0.40	<0.40	<0.10	<0.0026	2.2	12	2.5	12
IA-9	3/4/2014	120/First	3.75	8-Hour	0.13	0.46	<0.40	<0.40	<0.10	<0.0026	0.48	1.3	<0.44	<1.3
IA-9 DUP	3/4/2014	120/First	3.75	8-Hour	0.17	0.5	<0.40	<0.40	<0.10	<0.0026	0.54	1.6	<0.44	1.0
IA-10	3/4/2014	120/First	3.75	8-Hour	0.14	0.46	<0.4	<0.40	<0.10	<0.0026	0.48	1.4	<0.44	<1.3
IA-11	6/19/2014	57/First	4	8-Hour	0.077	0.54	<0.4	<0.40	<0.10	<0.0026	0.36	1.4	<0.44	<1.3
IA-11 DUP	6/19/2014	57/First	4	8-Hour	0.12	0.61	<0.4	<0.40	<0.10	<0.0026	0.35	1.3	<0.44	<1.3
IA-12	6/19/2014	56/First	4	8-Hour	0.074	0.71	<0.4	<0.40	<0.10	<0.0026	0.41	1.5	0.73	3.5
IA-13	6/19/2014	57/Basement*	4	8-Hour	0.15	66	3.2	0.99	<0.10	<0.0026	0.28	1.0	<0.44	1.4
IA-13	2/5/2015	57/Basement*	4	8-Hour	0.75	9.7	0.75	<0.28	<0.21	<0.0026	0.7	4.9	2.4	14
IA-13 DUP	2/5/2015	57/Basement*	4	8-Hour	<0.25	7.5	0.71	<0.28	<0.21	<0.0026	0.73	5.7	2.4	12

TABLE 1: AIR SAMPLE DATA SUMMARY
Benicia Arsenal 50 Series Complex, Benicia, California

Location ID	Date	Building Number/Floor	Height (feet ags)	Sampling Type	PCE (µg/m ³)	TCE (µg/m ³)	cis-1,2-DCE (µg/m ³)	trans-1,2-DCE (µg/m ³)	1,1-DCE (µg/m ³)	Vinyl Chloride (µg/m ³)	Benzene (µg/m ³)	Toluene (µg/m ³)	Ethylbenzene (µg/m ³)	Xylenes (µg/m ³)
Comparison Values:				24-Hour	0.41 *	0.48	--	--	210	0.17	0.36	5,200	1.1	100
RSLs (Residential Air)				8-Hour	2.08*	3.0	--	--	880	2.8	1.6	22,000	4.9	440
RSLs (Industrial Air)														
IA-14	6/19/2014	57/Basement*	4	8-Hour	0.10	0.10	1.7	0.66	<0.10	<0.0026	0.26	0.91	<0.44	<1.3
IA-15	6/19/2014	70/Basement*	4	8-Hour	0.051	0.08	<0.4	<0.40	<0.10	<0.0026	0.23	0.88	<0.44	<1.3
IA-16	2/5/2015	120/First	4	8-Hour	<0.27	1.5	2.1	<0.40	<0.10	<0.0026	0.8	2.9	<0.15	<0.15
IA-17	2/5/2015	120/First	4	8-Hour	2.6	<0.16	<0.091	<0.28	<0.21	<0.0026	0.93	3.2	<0.15	1.0
IA-18	2/5/2015	53/First	4	8-Hour	<0.25	0.32	<0.091	<0.28	<0.21	<0.0026	0.89	4.1	1.2	3.6
IA-19	2/5/2015	56A(south)/First	4	8-Hour	<0.25	0.54	<0.091	<0.28	<0.21	<0.0026	0.7	3.8	0.69	3.2
IA-20	2/5/2015	56A(south)/First	4	8-Hour	<0.25	0.70	<0.091	<0.28	<0.21	<0.0026	0.67	3.4	<0.15	1.4
IA-21	2/5/2015	56A(south)/Second	4	8-Hour	0.52	0.31	<0.091	<0.28	<0.21	<0.0026	0.61	3.5	<0.15	0.96
IA-22	2/5/2015	56A(south)/Third	4	8-Hour	<0.25	0.53	<0.091	<0.28	<0.21	<0.0026	0.7	2.7	0.61	0.87
IA-23	2/5/2015	56A(south)/First	4	8-Hour	<0.25	0.64	<0.091	<0.28	<0.21	<0.0026	0.77	2.6	<0.15	1.7
IA-24	2/5/2015	56A(south)/First	4	8-Hour	<0.25	5.9	2.5	<0.28	<0.21	<0.0026	1.1	3.8	1.6	5.2
IA-25	2/5/2015	57/Second	4	8-Hour	<0.25	0.28	<0.091	<0.28	<0.21	<0.0026	0.64	4.1	<0.15	1.5
IA-26	2/5/2015	56/First	4	8-Hour	<0.25	5.1	<0.091	<0.28	<0.21	<0.0026	0.7	3.2	0.74	4.0
IA-27	2/5/2015	56/Second	4	8-Hour	<0.25	1.6	<0.091	<0.28	<0.21	<0.0026	0.86	4.5	1.5	9.1
IA-28	2/5/2015	56A(west)/First	4	8-Hour	<0.25	0.4	<0.091	<0.28	<0.21	<0.0026	0.96	3.7	1.0	4.8
IA-29	2/5/2015	70/First	4	8-Hour	<0.25	<0.16	<0.091	<0.28	<0.21	<0.0026	0.64	6.0	3.3	18
Outdoor Air														
OA-1	3/4/2014	Ground Level	4.5	8-Hour	<0.034	0.019	<0.40	<0.40	<0.10	<0.0026	0.34	0.81	<0.44	<1.3
OA-2	3/4/2014	Ground Level	4.5	8-Hour	0.051	0.015	<0.40	<0.40	<0.10	<0.0026	0.42	0.86	<0.44	<1.3
OA-2	6/19/2014	Ground Level	4.5	8-Hour	0.13	0.14	<0.40	<0.40	<0.10	0.0035	0.44	1.1	<0.44	<1.3
OA-2	2/5/2015	Ground Level	4.5	8-Hour	<0.27	<0.21	<0.40	<0.40	<0.10	<0.0026	0.77	1.6	<0.44	0.83

**TABLE 1: AIR SAMPLE DATA SUMMARY
Benicia Arsenal 50 Series Complex, Benicia, California**

Location ID	Date	Building Number/Floor	Height (feet ags)	Sampling Type	PCE (µg/m ³)	TCE (µg/m ³)	cis-1,2-DCE (µg/m ³)	trans-1,2-DCE (µg/m ³)	1,1-DCE (µg/m ³)	Vinyl Chloride (µg/m ³)	Benzene (µg/m ³)	Toluene (µg/m ³)	Ethylbenzene (µg/m ³)	Xylenes (µg/m ³)
Comparison Values:				24-Hour	0.41*	0.48	--	--	210	0.17	0.36	5,200	1.1	100
RSLs (Residential Air)				8-Hour	2.08*	3.0	--	--	880	2.8	1.6	22,000	4.9	440
RSLs (Industrial Air)														
OA-3	3/4/2014	Ground Level	4.5	8-Hour	<0.034	<0.0055	<0.40	<0.40	<0.10	<0.0026	<0.032	<0.38	<0.44	<1.3
BLANK	3/4/2014	N/A	N/A	N/A	<0.034	<0.0055	<0.40	<0.40	<0.10	<0.0026	<0.032	<0.38	<0.44	<1.3
BLANK	6/19/2014	N/A	N/A	N/A	0.13	0.16	<0.40	<0.40	<0.10	<0.0026	0.42	1.0	<0.44	<1.3

Notes:

µg/m³ micrograms per cubic meter
 ags above ground surface
 -- no value
 N/A not applicable
 RSL Regional Screening Level
 PCE tetrachloroethene
 TCE trichloroethene
 cis-1,2-DCE cis-1,2-dichloroethene
 trans-1,2-DCE trans-1,2-dichloroethene
 1,1-DCE 1,1-Dichloroethene
Bold Result exceeds the Comparison Value

It should be noted that basements are currently unoccupied.

Comparison Values:

RSLs: Environmental Protection Agency Region IX, Regional Screening Levels, June 2015

~~* Values provided in HERO HHRA Note Number 3 were used for PCE in lieu of the RSLs because in March 2014, the DTSC requested that the Environmental Protection Agency (EPA) Region 9 Regional Screening Levels (RSLs) be used as the basis for comparison for the results from air sampling. The DTSC indicated that values for PCE should be compared against the values listed in the DTSC Office of Human and Ecological Risk (HERO) Human Health Risk Assessment (HHRA) Note Number 3 in lieu of the RSLs as the basis for comparison for PCE.~~

Note: In March 2014, the DTSC requested that the Environmental Protection Agency (EPA) Region 9 Regional Screening Levels (RSLs) be used as the basis for comparison for the results from air sampling for contaminants of concern. However, the DTSC indicated that values for PCE should be compared against the values listed in the DTSC Office of Human and Ecological Risk (HERO) Human Health Risk Assessment (HHRA) Note Number 3 in lieu of the RSLs.

The Arnold Law Practice

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**BY EMAIL,
ORIGINAL BY USPS**

April 15, 2015

Heather McLaughlin, Esq.
City Attorney
City of Benicia
250 East L Street
Benicia, CA 94510

Re: Correcting ERS' summary of Site history.

Dear Heather:

It appears the consultants have a meeting set for next week Wednesday to go over the draft workplan proposal prepared by ERS. We want to bring to your attention the need for ERS to correct its summary of the history of the Historic Arsenal Park, LLC property.

ERS states in Section 2.1, Site Description and History (pp. 1–2)

The United States Army (Army) owned and operated the Arsenal (the Site) for approximately 115 years through 1964. Operations at the Site beginning in 1876 included cleaning and repair of small arms, including metal treatments with acid, solvents, and caustic baths; de-greasing, painting, and parkerizing (an anti-corrosion treatment for the metal surfaces of small arms weapons), electroplating processes, incineration and a small arms test range. Onsite underground fuel tanks stored petroleum products for motor vehicles and boilers. When the Army owned and operated the Site, both the sewer and storm drain systems discharged domestic and industrial wastes without treatment directly to the Carquinez Strait. The City bought the parcels comprising the HAP property in 1965, and subsequently parceled, leased and sold them for use by various industries. In 1969-1970, the City of Benicia reconfigured the sanitary sewer so that it discharged to the City's treatment plant, but the storm drains continued to discharge directly to Carquinez Strait.

The HAP is a California limited liability company that purchased the HAP properties either directly from the City of Benicia, or leased the HAP properties from the City since the Army left in the 1960's. It was likely common practice to dispose of waste fluids using the existing sewer systems which until 1970 discharged to the Carquinez Straits. Between 1966 and 1981, the buildings onsite were used for office space, and commercial rental units.

ERS' historical account is not accurate as to my client, Historical Arsenal Park, LLC. The specific errors include:

1. It was not the City, but rather Benicia Industries, Inc. and Shareholder Properties, Inc. that parceled and sold off property in the Arsenal.

Support: 6/11/75 deed from City to Benicia Industries, Inc. ("BII").
3/20/79 deed from BII to Shareholder Properties, Inc.
("SP")
3/4/77, 3/19/78, 9/20/79, & 11/9/79 parcel maps (these are just a sampling, i.e. maps that pertain specifically to the HAP, LLC parcels)

2. The City didn't really lease/manage the Arsenal property; even during the decade when the City held title, it delegated development/leasing of the property to BII.

Support: 1/7/64 Master Lease
9/8/14 Benicia Herald article

3. HAP, LLC never was a tenant on the property, and certainly did not lease the property from the City after the Army left. It was impossible for HAP, LLC to have leased the property until the 1980s (even setting aside BII's activities in the 1960s and 1970s) because HAP, LLC (as Poly Western, etc.) didn't even exist until the 1980s.

Support: 7/27/88 certificate of limited partnership.

Rather, HAP, LLC (as Poly Western, etc.) received the property through a 1031 exchange from SP in 1979.

Support: 11/29/79 and 4/6/81 deeds

4. The structure of the narrative implies that *HAP itself* dumped waste into the sewer. This is mistaken implication.

Support: 11/5/03 LLC statement of information listing HAP's type of

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business as “rental of art studios”

List of HAP’s tenants attached to May 2014 AEI report

Heather, as a result of these mistakes and unsupported conclusions, it is imperative that ERS correct as soon as possible the paragraph about my client, as follows:

... The City bought the Arsenal in 1965, including the parcels comprising the HAP property currently owned by Historic Arsenal Park, LLC (HAP, LLC). in 1965. Pursuant to a Master Lease from the City, Benicia Industries, Inc. assumed responsibility for developing and subleasing the Arsenal., and subsequently ~~parceled, leased and sold them for use by various industries~~ In 1965, it was likely a common practice to dispose of liquid wastes using the existing sewer systems, which discharged directly to the Carquinez Strait. In 1969-1970, the City of Benicia reconfigured the sanitary sewer so that it discharged to the City’s treatment plant, but the storm drains continued to discharge directly to Carquinez Strait.

In 1975 the City sold the Arsenal to Benicia Industries, Inc. The parcels owned by HAP, LLC today were leased to office, commercial, and industrial tenants. Over the following years, Benicia Industries, Inc. and its holding company, Shareholder Properties, Inc., parceled and sold off parts of the Arsenal. In a Section 1013 Starker exchange in 1979, Shareholder sold the parcels owned today by HAP, LLC to its predecessor.

The HAP, LLC is a California limited liability company commercial landlord company that has operated since 2003. that purchased the HAP properties either directly from the City of Benicia, or leased the HAP properties from the City since the Army left in the 1960's. It was likely common practice to dispose of waste fluids using the existing sewer systems which until 1970 discharged to the Carquinez Straits. Between 1966 and 1984 the present, the buildings owned today by HAP, LLC have been onsite were used for office space, and commercial rental units.

We hope to hear soon that ERS has corrected its summary of the history of the HAP, LLC property. If you or ERS have any questions, please call me or my colleague John Beard at your convenience.

Very truly yours,


James R. Arnold

Cc: Client, JAB