

November 4, 2010

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

RE: Request for Qualifications – October 25, 2010
Proposal for Project Management and Legal Services
Benicia Arsenal Investigation and Cleanup Project

Dear Ms. McLaughlin,

ERS prepared this proposal in response to your RFQ to assist the City of Benicia in meeting its goals and objectives at the Benicia Arsenal. Based on our understanding and experience with the issues, and our relationships with senior members of the stakeholders, we offer a comprehensive strategy to reach an agreement with all the relevant parties – the City of Benicia and the private property owners, the United States Army Corps of Engineers, and the California Department of Toxic Substances Control. Our strategy is focused on obtaining a voluntary cleanup agreement and provides alternatives that could also be pursued in parallel. Our goal is to provide the City with services that will result in the successful funding to remediate environmental liabilities at the Arsenal in a timely manner.

This Proposal is structured in accordance with the RFQ's Sections III and IV, and includes an Appendix containing additional detail on the firms and key personnel that comprise our team. This Proposal also attempts to adhere to the RFQ's request for brevity and, consequently, we do not recite what is known technically about the various environmental conditions at the Arsenal. Rather, this proposal briefly describes the bigger picture issues that provide the basis for the strategy we present. This proposal also constitutes just that—a proposal. We would welcome the opportunity to work with the City to better define our goals and objections, and to refine the team so as to best meet those goals and objectives.

Our Team is located strategically near the key stakeholders and decision makers affecting this project. The Project Manager and two legal firms are located near the City of Benicia and Sacramento for USACE and the regulatory agencies, and one legal team is located near the Pentagon in Washington, DC. The key personnel within the ERS Team are proposed as follows:

- ▶ Mark O'Brien and Steven Michelson with *ERS Corporation* in Walnut Creek, California
 - Extensive relations and experience with USACE (District and Division level), DoD, and DTSC
 - Program and project management, technical services evaluating and allocating environmental impacts and remediation costs, negotiations

- ▶ John Briscoe and Larry Bazel with *Briscoe Ivester & Bazel LLP* in San Francisco, California
 - Extensive relations and experience with USACE (Division and District level), DTSC, and DOJ

- Provide legal services and negotiations on regulatory matters and environmental liabilities and compliance
- ▶ David Knisely with Garrity & Knisely in Boston, Massachusetts
 - Extensive relations and experience with DoD (Pentagon level) and DTSC
 - Provide legal services and settlement negotiations with DOJ and USACE
- ▶ Tim Swickard with Dongell Lawrence Finney LLP in Sacramento, California
 - Extensive relations and experience with DTSC and DOJ
 - Provide legal services and settlement negotiations with DTSC and DOJ
- ▶ Mark O'Brien with QRS Corporation in Walnut Creek, California
 - Extensive relations and experience with the Pentagon and DTSC
 - Broker environmental insurance to transfer risk and bring cost certainty to stakeholders
- ▶ Brad Hall with Engineering/Remediation Resources Group, Inc. in Martinez, California
 - Provide technical services regarding UXO and MEC

Key personnel within ERS and Garrity & Knisely (not the larger corporate resume) have all played leadership roles in more than 50 negotiations with the Department of Defense that have resulted in the successful transfer of real property and sufficient federal funds to cover the cost of remediation. These negotiations required concurrence with local governments, DTSC, the Regional Water Quality Control Board, CalEPA, the California governor's office, and the public. While your project does not involve the transfer of real property (which occurred in the 1960s), it involves very similar environmental issues and, with the exception of the Base Realignment and Closure program (BRAC), it involves the same regulations, policies, and government personnel. Key personnel within Briscoe Ivester & Bazel have also played key roles in advising the City and in negotiations on military base transfers and with the California environmental regulatory community.

We look forward to working with you.

Regards,

ERS Corporation



Mark O'Brien
CEO



Steven Michelson, PG
Principal Consultant

Attachment