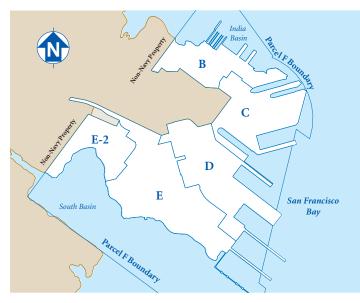


This monthly progress report (MPR) summarizes environmental restoration activities conducted by the U.S. Department of the Navy (Navy) at Hunters Point Shipyard (HPS) during January 2007. This MPR is prepared in accordance with the HPS Federal Facility Agreement, Section 6.6. The MPR is presented in three sections. Section 1.0, Parcel Updates, summarizes key activities at each parcel completed during the past month and planned for the upcoming 2 months. Section 2.0, Special Recognition, recognizes members of the Navy, regulatory agencies, and community who work together on projects for HPS. Section 3.0, Schedule, identifies submittals, meetings, and field activities completed during the past month and planned for the upcoming two months.



1.0 PARCEL UPDATES

This section summarizes key activities at each parcel completed during the past month and activities planned for the upcoming 2 months.

1.1 PARCEL B

The activities completed during January 2007 and planned for the upcoming 2 months at Parcel B are summarized below.

January 2007 Activities at Parcel B

- Continued to develop and submit quarterly groundwater monitoring reports.
- Continued preparation of the Draft Final Technical Memorandum in Support of a Record of Decision (ROD) Amendment (TMSRA).

February to March 2007 Future Activities at Parcel B

- Continue groundwater sampling in accordance with the Remedial Action Monitoring Plan (RAMP) for groundwater monitoring. Continue to develop and submit quarterly groundwater monitoring reports.
- Prepare and submit the Draft Final Status Survey Report for Building 114.
- Continue preparation of the Draft Final TMSRA.

Hunters Point Shipyard

1.2 PARCEL C

The activities completed during January 2007 and planned for the upcoming 2 months at Parcel C are summarized below.

January 2007 Activities at Parcel C

- Continued to develop and submit quarterly groundwater monitoring reports.
- Continued preparation of the Draft Feasibility Study (FS) Report.

February to March 2007 Future Activities at Parcel C

- Continue groundwater sampling in accordance with the Sampling and Analysis Plan (SAP) for basewide groundwater monitoring. Continue to develop and submit quarterly groundwater monitoring reports.
- Continue preparation of the Draft FS Report.

1.3 PARCEL D

The activities completed during January 2007 and planned for the upcoming two months at Parcel D are summarized below.

January 2007 Activities at Parcel D

- Continued to develop and submit quarterly groundwater monitoring reports.
- Continue preparation of the Draft Final Revised FS Report.

February to March 2007 Future Activities at Parcel D

- Continue groundwater sampling in accordance with the SAP for basewide groundwater monitoring. Continue to develop and submit quarterly groundwater monitoring reports.
- Prepare and submit a Draft Groundwater Treatability Study Work Plan.
- Prepare and submit the Draft Final Final Status Survey Report for Building 813.
- Continue preparation of the Draft Final Revised FS Report.

1.4 PARCEL E

The activities completed during January 2007 and planned for the upcoming two months at Parcel E are summarized below.

January 2007 Activities at Parcel E

- Continued to develop and submit quarterly groundwater monitoring reports.
- Continued preparation of the Draft Remedial Investigation (RI) Report.
- Conducted backfilling and site restoration of IR Site 02.

February to March 2007 Future Activities at Parcel E

- Continue groundwater sampling in accordance with the SAP for basewide groundwater monitoring. Continue to develop and submit quarterly groundwater monitoring reports.
- Complete and submit the Finding of Suitability to Lease (FOSL), Buildings 104, 115, 116, 117, 120, 125 and 606, Open Spaces 1 and 2.
- Continue preparation of the Draft RI Report.
- Continue backfilling and site restoration of IR Site 02.



Backfillling in Parcel B

Water truck performing dust contol



1.5 PARCEL E-2

The activities completed during January 2007 and planned for the upcoming months at Parcel E-2 are summarized below.

January 2007 Activities at Parcel E-2

- Continued to develop quarterly groundwater monitoring reports.
- Continued monthly gas monitoring at the landfill. Continue to develop and submit monthly landfill gas monitoring reports.

February to March 2007 Future Activities at Parcel E-2

- Continue groundwater sampling in accordance with the SAP for basewide groundwater monitoring. Continue to develop and submit quarterly groundwater monitoring report.
- Continue monthly gas monitoring at the landfill. Continue to develop and submit landfill gas monitoring reports. The December 2006 report will be the last monthly report; the gas monitoring reports will be submitted quarterly beginning with the 1st quarter of 2007.
- Complete and submit the Final Stormwater Discharge Management Plan.
- Complete and submit the Draft RI/FS Report.
- Complete and submit the Draft Polychlorinated Biphenyls (PCB) Removal Action Completion Report for Parcels E and E-2.

1.6 PARCEL F

The activities completed during January 2007 and planned for the upcoming 2 months at Parcel F are summarized below.

January 2007 Activities at Parcel F

• Continued preparation of the Draft FS Report.

February to March 2007 Future Activities at Parcel F

• Complete and submit the Draft FS Report.

1.7 BASEWIDE

No specific basewide activities were completed during January 2007 nor planned for the upcoming 2 months.

2.0 SPECIAL RECOGNITION

The Navy is recognizing Ralph Pearce for his service as Interim Lead Remedial Project Manager (RPM) for HPS. Until a permanent Lead RPM is determined for HPS, the current RPMs will be on a rotation sharing the Interim Lead Role. Mr. Pearce took on the role of interim Lead RPM beginning January 29, 2007. As Interim Lead RPM, Mr. Pearce has been responsible for all of the HPS contracting issues, project schedules, and technical solutions for the rest of the HPS team. Mr. Pearce enjoys hiking, bluegrass music, good wine and dessert. On April 2, 2007 Mark Walden will be succeeding Mr. Pearce as the Interim Lead RPM.



Ralph Pearce Navy Lead Remedial Project Manager

3.0 SCHEDULE

This section presents meetings conducted and planned and deliverables submitted and planned during this reporting period.

January 2007 Meetings:

- Base Cleanup Team (BCT) Meeting January 23, 2007
- Restoration Advisory Board (RAB) Meeting January 25, 2007

January 2007 Deliverables:

- Draft November 2006 Monthly Landfill Gas Monitoring Report (Parcel E-2)
- Final October 2006 Monthly Landfill Gas Monitoring Report (Parcel E-2)
- Draft December 2006 Monthly Landfill Gas Monitoring Report (Parcel E-2)

Parcel C

- Draft July to September 2006 Groundwater Monitoring Report (Parcels C, D and E)
- Final April to June 2006 Groundwater Monitoring Report (Parcel C, D, E)
- Final January to March 2006 Groundwater Monitoring Report (Parcel C, D, E)
- Draft October 2006 to December 2006 Groundwater Monitoring Report (Parcel C, D, E)

Parcels D

Parcel E

- Draft Final Status Survey Report, Building 813
- Draft Treatability Study Work Plan

February and March 2007 Meetings:

- BCT Meeting February 20, 2007
- RAB Meeting February 22, 2007
- BCT Meeting March 20, 2007
- RAB Meeting March 22, 2007

February and March 2007 Deliverables:

Basewide

There are no Basewide reports scheduled for February and March 2007

Parcel B

- Draft July to September 2006 Groundwater Monitoring Report
- Final April to June 2006 Groundwater Monitoring Report
- Draft Final Status Survey Report, Building 114
- Final January to March 2006 Groundwater Monitoring Report

Parcels E-2

Final November 2006 Monthly Landfill Gas Monitoring Report

Final Finding of Suitability to Lease (FOSL), Buildings 104, 115,

116, 117, 120, 125, and 606, Open Spaces 1 and 2 (Parcel B, E)

Draft Remedial Investigation/Feasibility Study

Draft PCB Removal Action Completion Report

- Final Storm Water Discharge Management Plan
- Final December 2006 Monthly Landfill Gas Monitoring

Parcel F

Revised Draft Feasibility Study