

REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org



CONSENT
February 24, 2009

**Honorable Mayor and
Members of the City Council**

**Title: Supplemental Agreements: Samuel C. Pannell Meadowview Community
Center Toxics Clean Up Projects (C13000202 and C13000203)**

Location/Council District: 2450 Meadowview Rd. / Council District 8

Recommendation: Adopt a **Resolution:** 1) authorizing the City Manager or the City Manager's designee to execute Supplemental Agreement No. 3 to Agreement No 2004-0359 with Sierra Environmental Sampling to sample the groundwater monitoring wells and groundwater treatment system in an amount not to exceed \$80,500; 2) authorizing the City Manager or the City Manager's designee to execute Supplemental Agreement No. 3 to Agreement No. 2004-0962 with Excel Environmental Labs, Inc. to analyze groundwater samples to determine the concentration of contaminants in an amount not to exceed \$73,520; 3) authorizing the City Manager or the City Manager's designee to execute Supplemental Agreement No. 3 to Agreement No. CO2004-0011 with John J. Tomko to provide technical and administrative services for groundwater monitoring, cleanup activities, and ground reimbursement in an amount not to exceed \$164,400; and 4) restoring the City Manager's signature authority for this project.

Contact: Karl Kurka, Environmental Program Manager, 808-8430; Cynthia Kranc, Facilities Manager, 808-2258

Presenters: Not applicable

Department: General Services

Division: Facilities and Real Property Management

Organization No: 13001551

Description/Analysis

Issue: Toxic remediation at the Samuel C. Pannell Meadowview Community Center is managed through two capital improvements projects: Meadowview Community Center Toxic PCE (C13000202); and Meadowview Community Center Toxic Gas (C13000203). The City retains several environmental

consultants to monitor and remediate groundwater pollution at this location.

Information for each of these three agreements, including discussion of the prior supplemental changes, is included in Background section of the report (Attachment 1).

Policy Considerations: The recommendations contained in this report are consistent with: 1) the City Council strategic focus areas of public safety, and sustainability and livability; 2) City Code Section 3.64.040(A) requiring City Council approval for supplemental agreements in excess of \$25,000 for agreements originally executed for a price of less than \$250,000; and 3) City Code Section 3.64.040(G) restoring City Manager authority to issue additional supplemental agreements.

Under State law, the City is liable and responsible for "the restoration of the beneficial uses of waters of the State that have been degraded by a pollutant release." The California Regional Water Quality Control Board (Water Board) requires monitoring of pollutant migration and site cleanup to regulatory standards or the City will be subject to State fines.

Committee/Commission Action: None

Environmental Considerations:

California Environmental Quality Act (CEQA): The implementation of the monitoring and cleanup activities is conducted under the regulatory oversight of the Water Board. The project is an action taken by a regulatory agency, as authorized by state statute to assure the maintenance, restoration, or protection of the environment. During the course of the project, the Water Board will enact regulatory processes that involve procedures for the protection of the environment. For these reasons, the project is exempt from the provisions of the CEQA guidelines per Section 15308.

Sustainability Considerations: Cleanup will make the groundwater safe for future use.

Rationale for Recommendation: A gas station and dry cleaner formerly existed on the property that is now the Samuel C. Pannell Meadowview Community Center. Prior to the City purchasing the property, the gas station and dry cleaner had unauthorized releases of gasoline and perchloroethylene (PCE), respectively, which contaminated the groundwater in the area. The Water Board ordered the City of Sacramento to clean up the contamination.

The City has done extensive work delineating, monitoring and cleaning up the gasoline and PCE soil and groundwater contamination. Most of the

contamination has been cleaned up; however groundwater monitoring and remediation will probably need to continue for another 5-10 years to attain the stringent state regulatory standards. The supplemental agreements for these consultants need to be extended for essential services per State regulations.

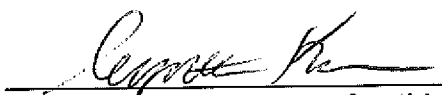
Financial Considerations: In response to the Water Board corrective action plan for the community center property, two Capital Improvement Projects (CIP) were established in 1993 for required remediation work: 1) the Meadowview Community Center Toxics Perchloroethylene (PCE) CIP (C13000202); and 2) the Meadowview Community Center Toxics Gas CIP (C13000203). The recommended supplemental agreements will be funded by either of these CIPs depending upon the specific work performed because the PCE and gasoline pollution are comingled and the site is being remediated through a combined system.

As of February 5, 2009, the Meadowview Community Center Toxics PCE CIP has an unobligated balance of \$530,775 (\$520,673 in Fund 1001, \$10,102 in Fund 3001). The Meadowview Community Center Toxics Gas CIP does not have an unobligated balance. Instead the costs associated with gasoline remediation are incurred in the project and then submitted for reimbursement to the State of California's Underground Storage Tank Fund (USTF). The USTF is funded by a tax on statewide fuel purchases.

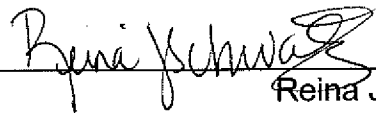
On March 29, 2005, City Council adopted Resolution No. 2005-199 approving the acceptance of up to \$1.2 million in aggregate funds on a reimbursement basis from the USTF. There is some risk for the City in that any given reimbursement request could be denied in part or in whole by the State of California for failure to comply with the USTF cost and procurement principles or if the USTF were to become insolvent. However, since first requesting reimbursements in 1998, the City has received payment on all requests submitted and the USTF has remained solvent.

On November 21, 2008, the City received notification from the Water Board that future reimbursements submitted to the USTF will be delayed by several months beyond the usual reimbursement time interval. However, under State law, the City must continue the monitoring and cleanup according to the directives of the Water Board regardless of the status of funding (see attached letter). Remedial technologies and monitoring requirements are continually evaluated by the Department of General Services so that site cleanup may proceed as rapidly and as economically as possible, but all activities must be reviewed and approved by the Water Board.

Emerging Small Business Development (ESBD): Sierra Environmental Sampling, Excel Environmental Labs Inc., and John Tomko are not ESBD certified firms.

Respectfully Submitted by: 
Cynthia Kranc
Facilities Manager

Supplemental Agreements: Samuel C. Pannell Meadowview Community Center
February 24, 2009

Approved by: 
Reina J. Schwartz
Director, Department of General Services

Recommendation Approved:



Ray Kerridge
City Manager

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Attachment 1

BACKGROUND INFORMATION:

On, December 15, 1992, City Council adopted Resolution No. 1992-926 acquiring the Meadowview property to be developed into the Samuel C. Pannell Community Center. A gas station and dry cleaner formerly existed on the property that had unauthorized releases of gasoline and dry cleaning fluid perchloroethylene (PCE), respectively, which contaminated the soil and groundwater.

The California Regional Water Quality Control Board (Water Board) ordered the City of Sacramento to clean up the contamination. On March 19, 1993, the City contracted with Kleinfelder to complete a preliminary remediation feasibility study. Kleinfelder performed soil removal, delineation of contaminants, installation of five groundwater extraction wells and underground vapor extraction piping for future remediation system.

On May 16, 1995, the City was accepted into the State Underground Storage Tank Cleanup Fund to reimburse expenses for gasoline cleanup. Since then the City has done extensive work delineating, monitoring and cleaning up most of the gasoline and PCE soil and groundwater pollution. However, groundwater monitoring and remediation will need to continue for 5-10 more years to attain the stringent health and safety regulatory standards.

The following is a summary of the agreements for consulting services which were approved under City Manager authority:

Supplemental Agreement Log for Sierra Environmental Sampling

Agreement & Supplementals	Amount	Scope of Work
2004-0359	\$54,875	Groundwater sampling
1	\$24,765	Three additional quarters of groundwater sampling.
2	\$0	Contract time extension

On May 20, 2004, City Council awarded a consulting contract in the amount of \$54,875 to Sierra Environmental Sampling to provide groundwater sampling. This consultant samples the groundwater monitoring wells and groundwater treatment system influent and effluent on a quarterly basis and delivers these samples to Excel Environmental Labs, Inc.

On July 30, 2007, Supplemental Agreement No. 1 was executed with Sierra Environmental Sampling in the amount of \$24,765 for three additional quarters of groundwater sampling. On June 10, 2008, Supplemental Agreement No. 2 was executed with Sierra Environmental Sampling for a time extension.

Supplemental Agreement No. 3 would extend the time to January 31, 2013 and

increase the agreement amount by \$80,500.

Supplemental Agreement Log for Excel Environmental Labs, Inc.

Agreement & Supplementals	Amount	Scope of Work
2004-0962	\$27,945	Laboratory analytical services
1	\$16,065	Continued Laboratory analytical services
2	\$0	Contract time extension

On October 20, 2004, City Council awarded a consulting contract in the amount of \$27,945 to Excel Environmental Labs, Inc. to analyze groundwater samples. This consultant analyzes the groundwater samples to determine the concentration of contaminants and provides John J. Tomko with the raw data to evaluate and prepare semi-annual monitoring reports.

On July 31, 2007, Supplemental Agreement No. 1 was executed with Excel Environmental Labs, Inc. in the amount of \$16,065 for continuation of groundwater analytical services. On June 10, 2008 Supplemental Agreement No. 2 was executed with Excel Environmental Labs, Inc. for a time extension.

Supplemental Agreement No. 3 will extend the time to January 31, 2013 and increase the agreement amount by \$73,520.

Supplemental Agreement Log for John J. Tomko

Agreement & Supplementals	Amount	Scope of Work
2004-0011	\$80,500	Coordination and reporting of groundwater monitoring and remedial activities
1	\$19,300	Additional technical remediation assistance and groundwater monitoring coordination
2	\$99,680	Coordination and reporting for eight quarters of groundwater sampling, preparation of semi-annual reports and grant reimbursement packages, and remedial technical assistance

On January 5, 2004, City Council awarded a consulting contract in the amount of \$80,500 to John J. Tomko. John J. Tomko provides technical and administrative services for groundwater monitoring, cleanup activities, and grant reimbursement. Specifically, John J. Tomko provides the following services: 1) develops the groundwater monitoring plans for the City and Water Board; 2) coordinates

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groundwater sampling, analysis and entry of data into State a database (GeoTracker);
3) analyzes data and prepares semi-annual reports to the Water Board; and 4)
compiles reimbursement requests for expenses with the State Underground Storage
Tank Cleanup Fund.

On July 31, 2007 Supplemental Agreement No. 1 was executed with John J. Tomko in
the amount of \$19,300 for additional remediation and groundwater monitoring
consulting services. On May 22, 2008, Supplemental Agreement No. 2 was executed
with John J. Tomko in the amount of \$99,680 for eight quarters of groundwater
monitoring, coordination and reporting.

Supplemental Agreement No. 3 will extend the time to January 31, 2013 and increase
the agreement amount by \$164,400.

Attachment 2



Linda S. Adams
Secretary for
Environmental
Protection

1794 California Regional Water Quality Control Board
Central Valley Region

Karl E. Longley, ScD, P.E., Chair

11020 Sun Center Drive #200, Rancho Cordova, California 95670-6114
Phone (916) 464-3291 • FAX (916) 464-4645
<http://www.waterboards.ca.gov/centralvalley>



Arnold
Schwarzenegger
Governor

UST Cleanup Fund Claimant

21 November 2008

**IMPORTANT INFORMATION REGARDING THE 23 OCTOBER 2008 NOTICE FROM THE
STATE WATER RESOURCES CONTROL BOARD, UNDERGROUND STORAGE TANK
CLEANUP FUND REGARDING THE PROCESSING TIME OF REIMBURSEMENT CLAIMS**

You are receiving this letter because the UST Cleanup Fund (Fund) has notified Fund claimants and interested parties, by letter of 23 October 2008, that future payments for corrective action work on their claims will be delayed by several months beyond the usual reimbursement time interval. At this time we do not know how long these delays will last.

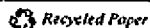
We understand that this slowdown of cost reimbursement may cause you financial strain, however, responsibility for compliance with the requests or requirements of the Regional Water Board, in accordance with either the California Water Code (CWC) or Health and Safety Code section 25296.10, and formal enforcement orders remains unchanged. Remedial actions and site assessment are to continue as scheduled except where Regional Water Board staff or the Executive Officer approves an extension. Failure to comply with a Cleanup and Abatement Order, requirement to submit technical reports pursuant to CWC section 13267, or any other enforcement order may result in additional enforcement actions, which could include the imposition of administrative civil liability. If you believe an extension is justified, a request for an extension must be submitted prior to cessation of any ordered or approved work.

You and your consultant should identify site work required to bring your case to closure and prepare a time schedule for completing the work. Recognize where cost savings may be realized without adverse impacts to human health, the environment or progress in bringing your site to closure. This could include decreased scope and/or frequency of monitoring, remedial system design, or other measures. Please submit any recommendations you may have in this regard to your Regional Water Board Case Manager for consideration.

Please contact the Regional Water Board Case Manager for your site (as identified in prior Regional Water board correspondence you have received for this case) if you have any questions.

Pamela C. Creedon
Executive Officer

California Environmental Protection Agency



RESOLUTION NO.2009-XXXX

Adopted by the Sacramento City Council

February 24, 2009

**AUTHORIZING ACTIONS RELATED TO SAMUEL C. PANNELL MEADOWVIEW
COMMUNITY CENTER TOXICS CLEAN UP PROJECT (C13000202 AND C13000203)**

BACKGROUND

- A. On December 15, 1992, City Council adopted Resolution No. 1992-926 acquiring the property to be developed into the Samuel C. Pannell Meadowview Community Center.
- B. The soil and groundwater under the property is contaminated with gasoline and perchloroethylene (PCE) from a former gas station and dry cleaner. The California Regional Water Quality Control Board (Water Board) requires the City to clean up the toxic contamination.
- C. The City has done extensive work delineating, monitoring and cleaning up most of the pollution, however, work will need to continue for several more years to attain state health and safety regulatory standards.
- D. The City retains three consultants working on the project whose agreements need to be continued to provide essential services to monitor and clean up the site.

**BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL
RESOLVES AS FOLLOWS:**

- Section 1. The City Manager or the City Manager's designee is authorized to execute Supplemental Agreement No. 3 to Agreement No 2004-0359 with Sierra Environmental Sampling to sample the groundwater monitoring wells and groundwater treatment system in an amount not to exceed \$80,500.
- Section 2. The City Manager or the City Manager's designee is authorized to execute Supplemental Agreement No. 3 to Agreement No. 2004-0962 with Excel Environmental Labs, Inc. to analyze groundwater samples to determine the concentration of contaminants in an amount not to exceed \$73,520.
- Section 3. The City Manager or the City Manager's designee is authorized to execute Supplemental Agreement No. 3 to Agreement No. CO2004-0011 with John J. Tomko to provide technical and administrative services for

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groundwater monitoring, cleanup activities, and grant reimbursement in an amount not to exceed \$164,400.

Section 4. The City Manager's signature authority is restored for this project.

