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# CITY OF POMONA COUNCIL REPORT

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October 7, 2019

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

Submitted By: Darron Poulsen, Water Resources Director, and  
Rene Guerrero, Public Works Director

**SUBJECT: AMEND THE 2019-20 CAPITAL IMPROVEMENT PROGRAM (CIP) BUDGET BY APPROPRIATING \$462,000 FROM THE REFUSE FUND BALANCE TO THE CITY LOT REMEDIATION PROJECT AND APPROVE AN AMENDMENT TO THE AGREEMENT WITH ENSAFE IN THE AMOUNT OF \$462,000 FOR THE CONTINUATION OF THE ONSITE SOIL VAPOR EXTRACTION CLEANUP**

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## **RECOMMENDATION:**

It is recommended that the City Council take the following actions:

- 1) Adopt the following resolution:

RESOLUTION NO. 2019-110 – A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POMONA, AMENDING THE 2019-20 CAPITAL IMPROVEMENT PROGRAM BUDGET BY APPROPRIATING \$462,000 OF REFUSE FUND BALANCE TO THE “CITY LOT REMEDIATION,” PROJECT NO. 418-2590-XXXXX-71021

- 2) Approve an amendment to the agreement with EnSafe in the amount of \$462,000 for the continuation of the onsite soil vapor extraction cleanup, groundwater analysis and indoor air remediation; and
- 3) Authorize the City Manager to execute any agreements necessary to complete the EnSafe amendment, contingent upon City Attorney review.

## **EXECUTIVE SUMMARY:**

The requested action is to appropriate \$462,000 from the Refuse Fund balance to continue the operation of the soil vapor extraction (SVE) unit used to remove volatile organic compounds (VOC) at the City owned parcel located on 822 W. Commercial Street. Funds will also be used to cover the increased costs mandated by the Department of Toxic Substances Control (DTSC) related to groundwater analysis, soil/air contamination impacts, and to fund small ventilation systems at private properties. Funding for future years will be presented to City Council for

consideration in the annual CIP budget requests. This Council action also amends the contract with EnSafe, Inc., the firm completing the stated efforts.

# **FISCAL IMPACT:**

Funding for this project, \$462,000, is available in the Refuse Fund balance, and if approved will be transferred to the “City Lot Remediation,” Project No. 418-2590-XXXXX-71021 (Project).

At this time EnSafe provided a proposal for what will be needed to comply with the DTSC groundwater quality analysis. However, expenses for groundwater cleanup have not been included, as funding for future years will be budgeted at the appropriate time. Additionally, as ongoing remediation efforts were not included within the rate making process for the current Refuse rates, staff is working to obtain funding from the State Environmental Protection Agency (EPA) and from grants to fund Project expenses. Table 1 below summarizes the fiscal impact for the recommended actions:

**Table 1**

<b>Category</b>	<b>City Lot Remediation Project No. 418-2590-XXXXX-71021</b>
Initial Budget	\$4,340,083
Appropriation (Refuse Fund)	\$462,000
Revised Budget	\$4,802,083
Expenditures/Encumbrances (as of September 25, 2019)	(\$4,062,237)
EnSafe agreement amendment 5	(\$462,000)
Remaining balance available for: construction management, contingencies, and inspection costs	\$277,846

# **PREVIOUS RELATED ACTION:**

On January 28, 2013, Council approved two agreements in the combined total amount of \$81,132 with DTSC for the oversight of voluntary site cleanup of two City-owned parcels located at 198 N. Hamilton Boulevard and 822 W. Commercial Street Project.

On October 7, 2013, City Council awarded a professional services contract to E2 ManageTech for the site cleanup of the two City owned parcels in the amount of \$1,073,850.

On October 19, 2015, Council approved an agreement amendment for site remediation oversight with the DTSC for site cleanup of the Commercial Street parcel in the amount of \$131,329.

On February 22, 2016, City Council approved the first agreement amendment with E2 ManageTech in the amount of \$310,665 for the completion of the Removal Action Workplan (RAW) and for a pilot soil vapor extraction (SVE) system associated with the site cleanup.

On July 11, 2016, City Council approved a budget appropriation in the amount of \$1,200,000 from the Refuse Fund balance to the Project, and of this amount \$800,000 was used for the second agreement amendment with E2 ManageTech to fund to complete the construction of the permanent SVE unit and RAW execution at that time.

On April 3, 2017, Council approved an agreement amendment for site remediation oversight with the DTSC in the amount of \$186,144.

On October 16, 2017, City Council approved a budget appropriation in the amount of \$689,000 from the Refuse Fund balance to the Project, and of this amount \$589,000 was used for a third agreement amendment to continue to operate the soil vapor contaminant concentrations at the project site and comply with the DTSC approved RAW.

On October 15, 2018, City Council approved a budget appropriation in the amount of \$669,821 from the Refuse Fund balance to the Project, and of that amount \$465,000 was used for a fourth amendment to the agreement with EnSafe to continue to operate the soil vapor remediation facilities to comply with the DTSC approved RAW.

#### **ENVIRONMENTAL IMPACT:**

California Environmental Quality Act (CEQA) requirements are to be satisfied as part of the RAW approval from the DTSC. Properties which are to enter a mitigation process were previously identified as part of the contract awarded to E2 ManageTech by City Council action on October 7, 2013.

#### **DISCUSSION:**

The City entered into an agreement with the DTSC to oversee site cleanup activities located at 198 N. Hamilton Boulevard (Sewer Lot) and 822 W. Commercial Street (CalSol Lot) to complete cleanup actions necessary to meet the California Health and Safety Code requirements. At this juncture staff is seeking approval of an agreement amendment which will enable the City to complete the remediation process and finalize the cleanup to current DTSC standards. The recommended Council action authorizes the City Manager to execute a fifth agreement amendment, attached herewith as Attachment No. 3, with EnSafe for professional environmental cleanup services in the amount of \$462,000.

The FY 2019-20 CIP budget currently includes the Project. The objective of this project is to complete the required cleanup at the City owned parcel located on Commercial Street. The other initially identified parcel needing remediation, 198 N. Hamilton Boulevard, has received the necessary remediation and now requires no further action.

The CalSol Lot continues to require cleanup and monitoring and based on current field VOC soil and groundwater sample results, it is anticipated the soil/soil vapor will be at the levels identified within the DTSC approved remedial action preplan (RAW) soon. As part of the RAW, the SVE system is the major method of cleanup of the soil. As the current contamination within the Spadra basin is likely to have come from other sources, DTSC has requested the City investigate the City's contribution to the Basin's overall contamination to determine its contribution. The results of this investigation will be considered when determining the full extent of the City's cleanup obligation.

E2 ManageTech, Inc., now doing business as EnSafe, prepared FY 2019-20 Operation and Maintenance (O&M) budgetary costs for the SVE system based on the performance of the existing system and mass of contaminants being removed. These costs include operation of the SVE system and associated carbon usage for the soil vapor treatment, as required by the Air Quality Management District permit. The FY 2019-20 costs, along with a list of items necessary to move the project forward to DTSC closure, are included within Attachment 2. Based on the approved budget there is a need to appropriate additional funds in the amount of \$462,000 from the Refuse Department Fund balance for the FY 2019-20.

As noted earlier, costs associated with the cleanup of groundwater within the localized area will require additional funding during FY 2019-20. Staff will continue to seek grant funding opportunities from the State of California Water Resources Control Board and the EPA.

#### **ALTERNATIVE(S):**

The City Council has the following alternatives:

- 1) Receive and file this report, however this will not allow the City to complete its DTSC site cleanup obligations; or
- 2) Adopt Resolution No. 2019-110 to amend the FY 2019-20 CIP Budget and amend the EnSafe agreement.

Prepared by:

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Nichole Horton  
Senior Water Resources Engineer

#### **ATTACHMENTS:**

Attachment No. 1 – Resolution No. 2019-110

Attachment No. 2 – FY 2019-20 EnSafe Budget