

REPORT TO COUNCIL City of Sacramento

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CONSENT
July 15, 2008

Honorable Mayor and Members of the City Council

Subject: Supplemental Agreement No. 5: Baseline Environmental Consulting
(B18333000)

Location/Council District: 3701 Fulton Avenue, Council District 2

Recommendation:

Adopt a Resolution authorizing the City Manager or his designee to execute Supplemental Agreement No. 5 to Professional Services Agreement 2006-0606 with Baseline Environmental Consulting authorizing the additional expenditure of \$99,757, which brings the cumulative cost to \$551,149, associated with the Fulton Avenue Development project.

Contact: Dean Peckham, Senior Project Manger, 808-7063
James R. Rinehart, Economic Development Manager, 808-5054

Presenters: Not Applicable

Department: Economic Development

Division: Citywide

Organization No: 4453

Description Analysis:

Issue: In March 2007, the County of Sacramento Environmental Management Department approved the Final Implementation Plan for the remediation of the Fulton Avenue Development site. As part of the approved remediation plan for the project the City is required to conduct additional analytical testing, sampling of the site as cleanup and grading occurs, air quality monitoring, and coordination with Sacramento County Environmental Management and Central Valley Regional Water Quality Control Board as part of the Final Implementation Plan documentation.

This staff report requests City Council approval of the contract amendment since the contract and subsequent supplemental agreements exceeds \$100,000.

Policy Considerations: The Fulton Avenue Development project is consistent with the City of Sacramento Strategic Plan goals to expand economic development throughout the City and achieve sustainability and livability.

Pursuant to the Sacramento City Code, Chapter 58.02.202 and the City Manager’s memorandum dated July 30, 1993 (Authority for Execution of Contracts – Revision); the City Council must approve contracts where total costs (including supplemental agreements) exceed \$100,000.

Environmental Considerations: The City Council certified an Environmental Impact Report and adopted a Mitigation Monitoring Plan for this project on January 16, 2007.

Rationale for Recommendation: In order to complete the Fulton Avenue Development, it is necessary to have Baseline Environmental Services perform additional consulting services related to the analytical testing, sampling of the site, air quality monitoring, and coordination with Sacramento County Environmental Management and Central Valley Regional Water Quality Control Board as part of the final phase of construction and approval of the Final Implementation Plan documentation.

Financial Considerations: The Fulton Avenue Development Project (B18333000) has a budget of \$9.4 million which includes a “bridge loan” in the amount of \$6.4 million approved by City Council on May 23, 2006, as part of the Community Reinvestment Capital Improvement Program (CRCIP), \$500,000 in pre-development funding, and a CIP fund transfer in the amount of \$2.5 million on March 4, 2008. There is currently \$840,000 available in the project budget to complete the project.

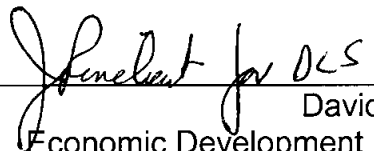
While the cumulative contract expenditures associated with the Baseline contract exceed \$100,000, this request is within the approved budget. Following is a summary of Baseline Environmental contract expenditures for the Fulton Avenue Development Project to date:

<u>Project Expenditure</u>	<u>Date</u>	<u>Amount</u>
Baseline Contract	06/29/04	\$ 65,550
1 st Amendment	11/03/04	\$ 65,144
2 nd Amendment	07/21/05	\$ 70,350
3 rd Amendment	06/16/06	\$ 94,685
4 th Amendment	08/17/07	\$155,663
Proposed 5 th Amendment	07/15/08	\$ 99,757

Emerging Small Business Development (ESBD):

Baseline Environmental Consulting is an ESBD Firm certified (BAE5075A3OP) with the City of Sacramento.

Submitted by: 
James R. Rinehart
Citywide Economic Development Manager

Approved by: 
David Spaur
Economic Development Director

Recommendation Approved:

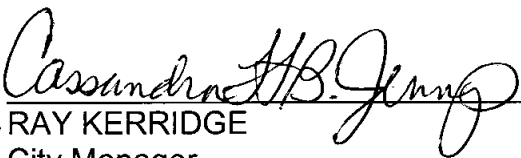

for RAY KERRIDGE
City Manager

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BACKGROUND

- A. On May 23, 2006, City Council authorized the issuance of approximately \$150 million in 2006 bonds for the Community Reinvestment Capital Improvement Program (CRCIP) priority projects which included a \$6.4 million bridge loan for the Fulton Avenue Development project.
- B. On June 5, 2007, the City Council approved the ground lease between the City and Rapton Investment Group, LLC (Resolution 2007-341).
- C. In November 2007, (Resolution 2007-792), Marques Pipeline was awarded the contract for the construction of the public infrastructure (Phase II).
- D. On March 4, 2008, (Resolution 2008-119), the City Council approved the fund transfer of various CIP's to the Fulton Avenue Development CIP.
- E. On March 4, 2008, (Resolution 2008-120), the City Council approved Change Order #1 with Marques Construction in the amount of \$380,872.

Financial Summary

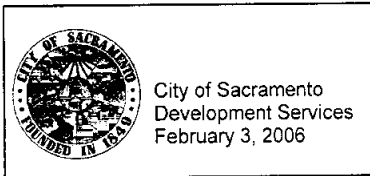
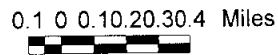
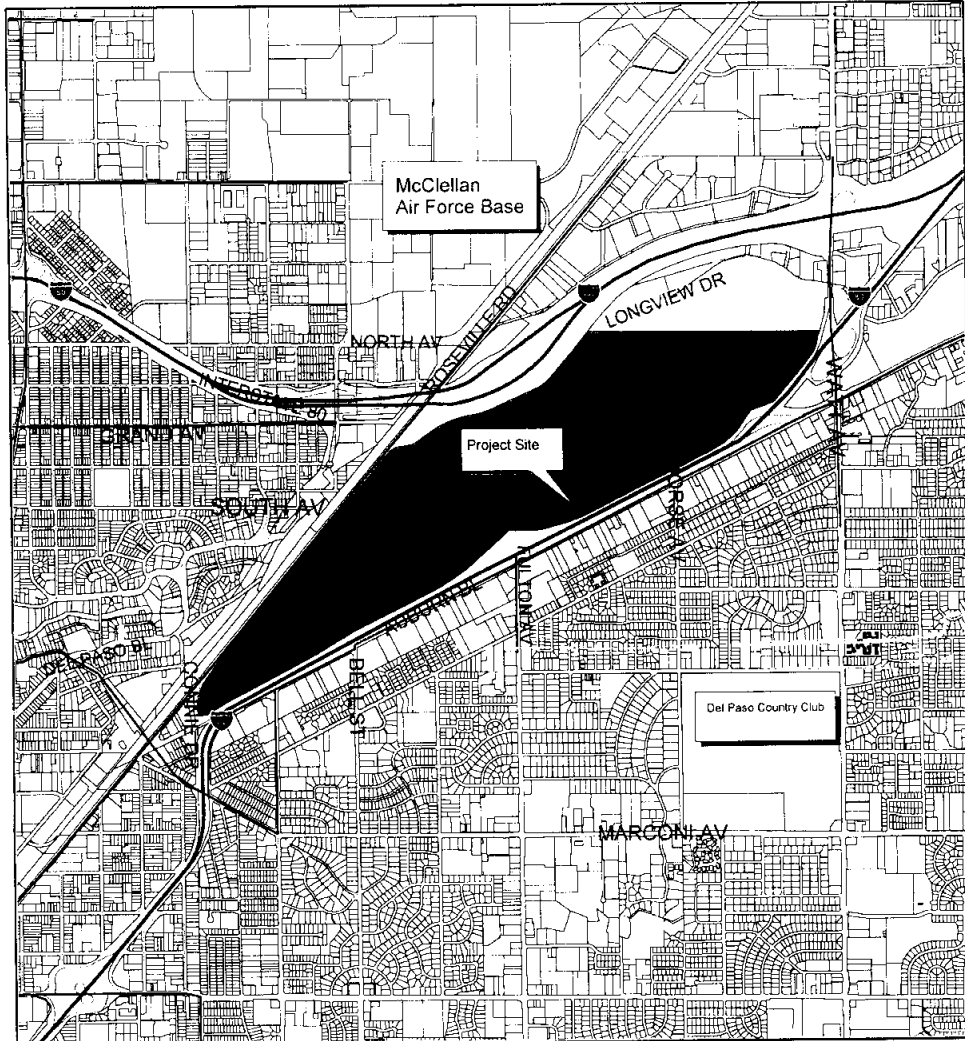
This project has a budget of \$9.4 million. The project has total obligations of \$8.512 million, the project has expended \$7.365 million and an unobligated amount of \$840,000 before the latest contract amendments.

Following is a summary of project expenditures associated with the Baseline Environmental Services contract.

<u>Project Expenditures</u>	<u>Date</u>	<u>Amount</u>
Baseline Contract	06/29/04	\$ 65,550
1 st Amendment	11/03/04	\$ 65,144
2 nd Amendment	07/21/05	\$ 70,350
3 rd Amendment	06/16/06	\$ 94,685
4 th Amendment	08/17/07	\$155,663
5 th Amendment (Proposed)	07/15/08	\$ 99,757
TOTAL		\$551,149

Attachment 2

LOCATION MAP



Vicinity Map
Fulton Avenue
Development
P06-012



RESOLUTION NO.

Adopted by the Sacramento City Council

AUTHORIZING THE CITY MANAGER TO EXECUTE A FIFTH SUPPLEMENTAL AGREEMENT WITH BASELINE ENVIRONMENTAL CONSULTING

BACKGROUND:

- A In 2002, the City Council directed staff to examine potential alternatives for the “highest and best” uses for the 21-acre Sacramento Trapshoot Club Site adjacent to Haggin Oaks Golf Course. In 2004, Mel Rapton Honda, currently located on Fulton Avenue, submitted a written request to the City to lease a portion of the existing property. An Exclusive Rights to Negotiate was executed on June 1, 2004, between the City and Mel Rapton Honda.
- B. The Sacramento Trapshoot Club has operated a shooting range at the present location within the Haggin Oaks Golf complex for approximately 80 years, resulting in the deposit of lead shot and clay pigeon debris over a relatively large area. Approximately 750,000 square feet (17 acres) are contaminated to some extent with elemental lead and polynuclear aromatic hydrocarbons (PAH). Cleanup of these materials is required since, depending on concentration, some are considered hazardous waste under federal and state law.
- C. In July 2004, the City initiated a process under the regulatory oversight of the County of Sacramento Environmental Management Department (EMD) and the California Regional Water Quality Board (Board) where in the contamination of the site would be characterized and appropriate remediation would be developed and ultimately implemented.
- D. On May 23, 2006, City Council authorized the issuance of approximately \$150 million in 2006 bonds for the Community Reinvestment Capital Improvement Program (CRCIP) priority projects which included a \$6.4 million bridge loan for the Fulton Avenue Development project.
- E. In 2006, the City submitted a permit application to the U.S. Army Corps of Engineers for a Nationwide 38 permit which allows the City to conduct remediation of a contaminated site where known wetlands exist.
- F. The City and its consultant, Baseline, have conducted numerous samplings of the site to ascertain the level of contamination. As a result of a consultative working group meeting in February 2006 regarding the final results it was determined that additional off-site sampling is needed to characterize

contamination located north of the Trapshoot Club site. Any contaminated soil found off-site will be consolidated with on-site contamination. Finally, Baseline will prepare the Final Response Plan for the remediation of the site including the preparation of a Risk Management Plan (RMP).

- G. In response, the City's consultant, Baseline, prepared a 3rd workplan for off-site sampling which was acceptable to all parties. The results of this work were incorporated into The Final Response Plan and a Risk Management Plan (RMP) will be prepared which addresses worker and environmental safety. The additional sampling, laboratory analysis, and preparation of the Final Response Plan and RMP has increased the anticipated cost of the investigation.
- H. In January 2007, the City Council approved the Environmental Determination: Environmental Impact Report; Mitigation Monitoring Plan; General Plan Amendment to redesignate 20± (twenty) gross acres from Parks, Recreation and Open Space to Heavy Commercial/Warehouse; rezone of 20± (twenty) gross acres from the Single Family (R-1) zone to the Heavy Commercial Planned Unit Development (C-4 PUD) zone; establishment of the Fulton Avenue Planned Unit Development (PUD), including PUD Guidelines and a PUD Schematic Plan; Tentative Parcel Map to subdivide one parcel into two (2) parcels; Subdivision Modifications to allow non-standard streets and elbows rezoning and tentative map for the Fulton Avenue Development project(former Sacramento Trapshoot Club).
- I. In March 2007, the County of Sacramento Environmental Management Department approved the Final Implementation Plan for the remediation of the Fulton Avenue Development site (formerly Sacramento Trapshoot Club).
- J. The Sacramento County Environmental Management Department is requiring a detailed soils sampling and testing plan as part of the site remediation. The additional sampling and laboratory analysis has increased the anticipated cost of the investigation, necessitating the 5th Supplemental Agreement.
- K. On May 1, 2007, Council approved Resolution #2007-254 awarding the grading contract to Teichert Construction for the Fulton Avenue Development. Teichert will begin grading on approximately June 15, 2007.
- L. On June 5, 2007, the City Council approved the ground lease between the City and Rapton Investment Group, LLC (Resolution 2007-341).
- M. In November 2007, (Resolution 2007-792), Marques Pipeline was awarded the contract for the construction of the public infrastructure (Phase II).
- N. On March 4, 2008,(Resolution 2008-119), the City Council approved the fund transfer of various CIP's to the Fulton Avenue Development CIP.
- O. On March 4, 2008, (Resolution 2008-120), the City Council approved Change Order #1 with Marques Construction in the amount of \$380,872.

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

Section 1. The City Manager is hereby authorized to enter into a supplemental agreement in the amount of \$99,757 with Baseline Environmental Consulting for the completion of tasks necessary to complete the remedial investigation of contamination at the Sacramento Trapshooting Club. This supplemental agreement brings the total cost of the remedial investigation to \$551,149.

MAYOR

ATTEST:

CITY CLERK