



REPORT TO COUNCIL ⁹

City of Sacramento

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

CONSENT
December 12, 2006

Honorable Mayor and
Members of the City Council

**Title: Agreement: Samuel C. Pannell Meadowview Community Center Phase II
Remediation and Associated Tasks**

Location/Council District: 2450 Meadowview Road (District 8)

Recommendation: Adopt a **Resolution:** 1) Authorizing the City Manager to execute Supplemental Agreement No. 5 to Professional Services Agreement No. 99-134 with Lee & Ro, Inc. in the amount of \$ 151,340; and 2) approving the continuation of monitoring and operation of the remediation systems.

Contacts: Brian Reilly, Interim Supervising Engineer, 808-8427; Cynthia Kranc, Facilities Manager, 808-2258

Presenters: Not Applicable

Department: General Services

Division: Facilities and Real Property Management

Organization No: 3283

Description/Analysis:

Issue: The City's professional services agreement with Lee & Ro, Inc. for services related to continuing contaminant remediation efforts at the Samuel C. Pannell Community Center requires periodic extension and update. The uncertain nature of subsurface contamination, occasional modification of the work plan required by the state Regional Water Quality Control Board (RWQCB), and the long term nature of the remediation effort necessitates supplements to the original agreement and modification of the scope of work. Staff requests Mayor and City Council approval of the contract amendments and the continuation of monitoring and operation of remediation systems.

Policy Considerations: The recommendations contained in this report are consistent with the City Council Strategic Plan goal of achieving sustainability

and livability by continuing to improve air and water quality to ensure a healthy community.

Environmental Considerations: Approval of the supplemental agreement is not subject to any provisions of the California Environmental Quality Act. Continuing remediation of the groundwater contamination is mitigation adopted as part of the 1993 Negative Declaration for the City's acquisition of the former service station site.

Rationale for Recommendation: It is in the best interest of the City to approve the professional services agreement with Lee & Ro, Inc. in the amount of \$151,340 for the following reasons:

- The uncertain nature of subsurface contamination, occasional modification of the work plan required by the state RWQCB, and the long term nature of the remediation effort necessitates supplements to the original agreement and modification of the scope.
- The authorization of Supplemental Agreement No. 5 in the amount of \$151,340 will allow the continuation of this existing program.

Financial Considerations: In response to the RWQCB corrective action plan for the community center property, two capital improvement projects (CIPs) were established in 1993 for required remediation work. The Meadowview Community Center Toxics PCE CIP (CB27) currently has an unobligated balance of approximately \$1.1 million for PCE removal and monitoring.

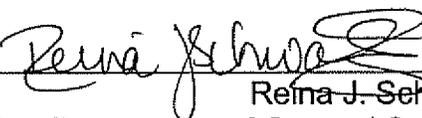
The Meadowview Community Center Toxics Gas CIP (CB28) is currently funded through the reimbursement of costs associated with gasoline remediation by the State's Underground Storage Tank Fund (USTF). The USTF is funded by a tax on statewide fuel purchases.

On March 29, 2005, the City Council approved 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. If the USTF were to become insolvent, remediation work at the site would cease until another funding source was obtained. The existing Professional Services Agreement (No. 99-134) and associated supplements for this project total \$983,676. Supplemental Agreement No. 5 included with this report totals \$151,340 and will increase the total cost of the agreement to \$1,135,016.

Emerging Small Business Development (ESBD): Lee and Ro, Inc. is a City of Sacramento certified SBE firm.

Respectfully Submitted by: 
Cynthia Kranc
Facilities Manager

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

Recommendation Approved:


Ray Kerridge
City Manager

Table of Contents:

	Report	Pgs	1-3
Attachments			
1	Background	Pgs	4
2	Resolution	Pgs	5
3	Exhibit A	Pgs.	6-10

BACKGROUND INFORMATION:

The Samuel C. Pannell Community Center was built on property the City purchased in 1992. The prior uses on the site included a gas station and two dry cleaning facilities. Both former uses resulted in gasoline and perchlorethylene or PCE (a dry cleaning solvent) contamination of the groundwater and soil under the site. Since the purchase, the City has been responsible for remediation of the contamination at the site and reports to the Regional Water Quality Control Board (RWQCB) on a quarterly basis.

Since 1993, the City has installed a total of 35 sampling and contaminant extraction wells at and around the site. The PCE soil vapor extraction system (SVES) and groundwater extraction system has removed a combined total of 211 pounds of PCE. The gasoline SVES and groundwater extraction system has removed a combined total of 2,800 pounds of petroleum hydrocarbons. As of November 2006, more than 16 million gallons of groundwater have been extracted and treated. The first four supplemental agreements approved on March 12, 2002, August 16, 2003, August 24, 2004 and December 13, 2005, respectively, increased the cost to \$983,676. The authorization of Supplemental Agreement No. 5 in the amount of \$151,340 will allow the continuation of this existing program.

In late 2003 and through spring 2004, the City conducted an additional investigation, as required by the RWQCB, to further define the lateral and vertical extent of the PCE contamination. The results of the investigation were generally positive for the City in that the lateral and vertical extent of the PCE plume was found to be considerably smaller than originally anticipated. However, the PCE plume continues to spread. Measures recommended by the RWQCB are directed toward establishing hydraulic control of the PCE plume. In addition, the gasoline plume was found to have migrated further than expected.

Upon review of these results, the RWQCB requested that the City complete its revised Corrective Action Plan (CAP) and design and construct a system to control the expanding gasoline plume. The RWQCB has also suggested that the City conduct a cost analysis and feasibility study of insitu bioremediation for both the gasoline and PCE "hotspots." The gasoline plume bioremediation study was completed in December 2004. The study concluded that bioremediation techniques for the gasoline plume were not cost-effective since the gasoline plume can most likely be controlled within two years with the installation of two additional wells and one additional treatment system. The RWQCB concurs with this approach. Staff requests approval for the continuation of monitoring and operation of the PCE plume remediation system (Exhibit A).

Staff anticipates returning to City Council within three months to request approval of a contract to complete the CAP for control of the PCE plume. This contract will include the addition of three shallow wells, an analysis of deep well extraction and an investigative study of alternate treatment methods, including bioremediation and density-driven recirculation. The RWQCB is in support of these actions for PCE plume control.

RESOLUTION NO.

Adopted by the Sacramento City Council

December 12, 2006

**AGREEMENT: SAMUEL C. PANSELL MEADOWVIEW COMMUNITY CENTER
PHASE II REMEDIATION AND ASSOCIATED TASKS**

BACKGROUND

- A.** The Samuel C. Pannell Community Center was built on property the City purchased in 1992. The prior uses on the site included a gas station and two dry cleaning facilities. Since the purchase, the City has been responsible for remediation of the contamination at the site and reports to the Regional Water Quality Control Board (RWQCB) on a quarterly basis.
- B.** Since 1993, the City has installed a total of 35 sampling and contaminant extraction wells at and around the site. As of November 2006, more than 16 million gallons of groundwater have been extracted and treated. The authorization of Supplemental Agreement No. 5 will allow the continuation of this existing program.
- C.** The RWQCB requested that the City complete its revised Corrective Action Plan (CAP) and design and construct a system to control the expanding gasoline plume. The RWQCB concurs with the City's remediation approach.

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

- Section 1. The City Manager is authorized to execute Supplemental Agreement No. 5 to Professional Services Agreement No. 99-134 with Lee & Ro, Inc. in the amount of \$151,340.
- Section 2. The City Manager is authorized to approve the continuation of tasks necessary for the remediation of subsurface and groundwater contamination at the Samuel C. Pannell Community Center.

Table of Contents:

Exhibit A – Scope of Services Pgs 6-10

EXHIBIT A

SCOPE OF SERVICES

**SUPPLEMENT TO THE CITY OF SACRAMENTO AGREEMENT 99-134
SAMUEL C. PANNELL
MEADOWVIEW COMMUNITY CENTER
ON AND OFF-SITE PCE PLUME REMEDIATION
SUPPLEMENT 5
SEPTEMBER 6, 2006**

This Scope of Services is for Work to be performed by LEE & RO, Inc. (LEE & RO) on the behalf of the City of Sacramento at the Samuel C. Pannell Meadowview Community Center (Meadowview) site in Sacramento, California, and will serve as a Contract Supplement to the services described in Agreement 99-134 and in prior Supplements 1 through 4.

LEE & RO will also provide services for continuation of Work begun under Sacramento City Council Resolution No. 99.446 dated August 17, 1999.

This Scope of Services will provide for the continued operation of the existing PCE and gasoline remediation systems located at the Meadowview site as described below.

A Cost Proposal (**Exhibit A**) showing expected costs and fees associated with Work described herein accompanies this document. The costs shown on the Cost Proposal are estimates based on expected 2006/2007 LEE & RO rate schedule (**Exhibit B**).

TASK 1: OPERATION OF THE REMEDIATION SYSTEMS

LEE & RO will, on the behalf of the City, operate the existing gasoline and PCE remediation systems. These systems and the operation are described below:

Extraction well EW-1 was installed in September of 1993. Full time groundwater extraction began in March of 2002. The primary goal of this well has been and continues to be to capture the groundwater at the source PCE hot spot on the west side of the Meadowview site.

Gradient Control System wells for the gasoline plume (EW-E and EW-F) were installed in August 2006. Operation of these two wells started in September 2006.

Subtask 1.1 Operate Extraction Wells EW-1 and EW-C and PCE Treatment System

LEE & RO will continue in our role of operator for the existing groundwater extraction PCE (EW-1) treatment system a maximum period of one calendar year. Operation includes weekly site visits and routine maintenance. The extraction well and treatment system discharge flows will be sampled on a quarterly basis in March, June, September and December.

It is anticipated that during the one calendar year operation of the PCE treatment system, the carbon will become foul and saturated. LEE & RO will replace the carbon with virgin coconut shell aqueous phase carbon once during the year of operation.

Electrical power and water supply services will be paid directly by the City. The County sewer discharge fees will be paid by LEE & RO for discharge of treated water from the existing PCE treatment system.

Subtask 1.2 Operate Extraction Wells EW-E and EW-F and Gasoline Treatment System

LEE & RO will continue in our role of operator for the groundwater gasoline extraction wells EW-E and EW-F and associated treatment system for a maximum period of one calendar year. Operations will include weekly site visits and routine maintenance. The mass of gasoline removed by the treatment system is anticipated to be significantly larger than that of the PCE system, requiring initial weekly sampling. Weekly sampling will continue until a capture rate can be determined, at which time quarterly sampling will be implemented.

Electrical power and water supply fees will be paid directly by the City. County sewer discharge fees will be paid by LEE & RO for discharge of treated water from the system.

It is anticipated that during the one calendar year operation of the gasoline treatment system, the carbon will become foul and saturated. LEE & RO will replace the carbon with virgin coconut shell aqueous phase carbon four (4) times during the initial year of operation. The treatment system utilizes three carbon filters; contents of two filters will be replaced during each change.

Subtask 1.3 Inserts for Reports to the Regional Water Quality Control Board

LEE & RO will continue to prepare text for insertion into the semiannual groundwater monitoring reports prepared by others. Inserts will summarize quarterly activities, sampling results and past remediation efforts at the site, including the operation of wells EW-1, EW-E, and EW-F.

Subtask 1.4 County Discharge Permit Management

LEE & RO will prepare monthly discharge reports as required by the Sacramento Regional County Sanitation District (SRCSD) permit GRW030. LEE & RO will calibrate the flow and lower explosive limit (LEL) meters as well as provide on-call services for County Inspections.

Subtask 1.5 Health and Safety Plan Updates

LEE & RO will update the site specific Health and Safety Plan with regard to operation of extraction wells EW-1, EW-E, and EW-F.

PROJECT SCHEDULE

The following schedule is proposed for the project and is based upon a Notice to Proceed Date tentatively scheduled as October 2, 2006.

Description	Task	Completion date
Operate Gasoline Gradient Control Wells EW-E and EW-F	1	For a period of 365 calendar days starting October 2, 2006
Operate PCE Extraction Well EW-1	1	For a period of 365 calendar days starting October 2, 2006

COST PROPOSAL						
Work Description						
Task Subtask Description	PM	Engr 3	Engr 1	Total Labor Expenses	ODC Reimburs. Expenses	Total Project Cost
	Engr 7	Tech 5	Admin			
	Rate, \$/hr	Rate, \$/hr	Rate, \$/hr			
1 Operation of the Remediation Systems						
1.1	Extraction Well (EW-1) and PCE Treatment Systems Extr Wells (EW-E, EW-F) and Gasoline Treatment System	18	84		\$10,930	
1.2	System	42	162		\$22,230	
1.3	Reports to Regional Water Quality Control Board	16	40		\$6,380	
1.4	County Discharge Permit Management	16	40		\$6,380	
1.5	Health & Safety Plan Updates	8	24	8	\$4,190	
TOTAL PROJECT COST		100	350	8	\$50,110	\$101,230
						\$151,340

Other Direct Cost Worksheet

Task	Item	Description	Number Required	Unit of Measure	Cost per Unit	Gross Cost
1	Operation of the Remediation Systems					
	1	Sewer discharge fees (discharge for 3 wells)	12	months	\$4,500	\$54,000
	2	Quarterly discharge sampling for permit	4	sample	\$365	\$1,460
	3	Gasoline System Sampling	18	sample	\$365	\$6,570
	4	Gasoline System Carbon Replacement	8	vessels	\$3,000	\$24,000
	5	Flow Meter and I.E.L. Calibration	1	is	\$1,000	\$1,000
	6	Miscellaneous	1	is	\$1,000	\$1,000
					Subtotal	\$88,030
					w/mark-up	\$101,230

LEE & RO, Inc.
FY 2006/2007 BILLING RATE SCHEDULE
 Effective November 1, 2006^a

<u>PERSONNEL CLASSIFICATION^b</u>	<u>BILLING RATE (\$/HOUR)</u>
Engineer 9 (E9) Chief Engineer	204
Engineer 8 (E8) Managing Engineer	180
Engineer 7 (E7) Supervising Engineer	159
Engineer 6 (E6) Principal Engineer	141
Engineer 5 (E5) Senior Engineer	125
Engineer 4 (E4) Engineer	109
Engineer 3 (E3) Associate Engineer	96
Engineer 2 (E2) Assistant Engineer	87
Engineer 1 (E1) Junior Engineer	77
Designer 6 (T9) Managing Designer	141
Designer 5 (T8) Supervising Designer	125
Designer 4 (T7) Principal Designer	109
Designer 3 (T6) Senior Designer	96
Designer 2 (T5) Designer	87
Designer 1 (T4) Associate Designer	77
Draftsperson 3 (T3) Draftsperson	68
Draftsperson 2 (T2) Junior Draftsperson	60
Draftsperson 1 (T1) Draftsperson Trainee	52
Field Staff 6 (F6) Supervising Construction Reviewer	141
Field Staff 5 (F5) Principal Construction Reviewer	125
Field Staff 4 (F4) Senior Construction Reviewer	109
Field Staff 3 (F3) Construction Reviewer	96
Field Staff 2 (F2) Associate Construction Reviewer	87
Field Staff 1 (F1) Assistant Construction Reviewer	77
Administrative 6 (A6) Contract Manager	125
Administrative 5 (A5) Sr. Administrative Professional	96
Administrative 4 (A4) Administrative Professional	87
Administrative 3 (A3) Sr. Word Processor	77
Administrative 2 (A2) Word Processor	68
Administrative 1 (A1) Clerical/Office Aide	52

^a Rates are subject to change in accordance with established company procedures. Normally, the rates increase on November 1 in accordance with the established Company procedures.

^b Engineer classification generally conforms to "ASCE Professional Grade Descriptions."

^c 5% mark-up will be added to all reimbursable expenses and subconsultant fees.

