



CITY OF COMMERCE AGENDA REPORT

TO: Honorable Successor Agency

Item No. _____

FROM: Executive Director

SUBJECT: First Amendment to the Agreement with EFI Global for Environmental Assessment at 5710 & 5788 Smithway

MEETING DATE: October 6, 2020

RECOMMENDATION:

The Successor Agency to the Commerce Community Development Commission will consider for adoption a Resolution approving:

1. The First Amendment to the Agreement with EFI Global to extend the term by three years for the continued environmental assessment of 5710 Smithway and expansion to include 5788 Smithway, and
2. Submittal of the requested amount as part of the normal ROPS process to the Department of Finance (DOF) for approval.

BACKGROUND/ANALYSIS:

On August 2, 2017 and August 23, 2017, the Successor Agency and Oversight Board respectively approved a Voluntary Cleanup Agreement (VCA) with the Department of Toxic Substance Control (DTSC), the lead enforcement agency for the site, for additional site characterization of the former Pacific Tube Company (PATCO) located at 5710 Smithway Street, which is now currently occupied by Citadel Outlets. DTSC approved a Work Plan dated September 6, 2006 prepared by Block Environmental with modifications, which were incorporated in Addendum to Work Plan for Additional Site Characterization dated January 31, 2007, also prepared by Block Environmental.

The pre-established monitoring system consisted of 10 groundwater monitoring wells and 12 soil vapor borings to conduct quarterly sampling on the southeastern half of the property to evaluate possible presence of VOC contamination. As previously reported to the Successor Agency and Oversight Board, the additional site assessment and completion of the Work Plan and Addendum was placed on hold due to the State dissolving the Redevelopment Agency and until such time that the Successor Agency and Oversight Board could obtain funding from the California Department of Finance (DOF) as an enforceable obligation.

The DTSC sent the Successor Agency a letter dated February 24, 2017 requesting the completion of the Work Plan and Addendum for additional site characterization and continued groundwater monitoring. The DTSC specifically requested the following:

1. Execution of updated VCA.
2. A status report of completed and outstanding Work Plan and Addendum tasks.
3. A new Work Plan to complete remaining tasks from the original Work Plan and Addendum.

Subsequently, the Successor Agency and the Oversight Board approved the release of a Request for Proposals (RFP) for completion of the Work Plan and Addendum and continuing the groundwater monitoring program. Following this RFP process, a professional services agreement was awarded on November 7, 2017 to EFI Global in the amount of \$168,236.70.

EFI Global has completed the well work required and needs to continue with the ongoing groundwater monitoring. As a result of their investigation and groundwater sampling, contaminants of PCE, TCE and hexavalent chromium in groundwater is considered to be from off-site sources. However, DTSC requires that monitoring continue and expanded the scope of the investigation to include characterization and remediation of property located at 5788 Smithway Street, which is immediately southeast of the Citadel Outlets and was historically part of the PATCO facility. Even though there is no historical data showing that the former PATCO site contributed any significant concentrations of VOCs to the soil and groundwater, DTSC requires investigation of this site. This expanded scope requires the installation of two additional groundwater monitoring wells in the vicinity of PATCO's former vapor degreaser, redevelopment of two older wells and quarterly monitoring and reporting of all wells.

EFI Global's agreement is due to expire on November 7, 2020 and allows for an extension of the term at the City's discretion. Staff is satisfied with EFI Global's work and recommends the Successor Agency approve an amendment to extend their agreement term by three years, effective until November 7, 2023 to allow time for creation and submittal of a Workplan for the additional scope of work, completion of said work, and at least two years of quarterly groundwater monitoring and reporting.

ALTERNATIVES:

1. Approve staff recommendation.
2. Decline staff recommendation and provide further direction to staff.

FISCAL IMPACT:

There is no fiscal impact to the City of Commerce since this is a Successor Agency property under the State's purview. Staff will submit a funding request to the DOF. Work will not commence until the DOF recognizes the DTSC ordered work and monitoring and sampling activities as a debt obligation of the Successor Agency and approves the requested funding.

The cost estimate summary for the aforementioned scope of work over a three-year period is as follows:

Task	Description	Cost
1	Quarterly Groundwater Monitoring and Reporting (\$10,111.20 per quarter for 12 quarters)	\$121,334.40
2	Groundwater Monitoring Well installation and Reporting	\$ 40,327.10
3	Additional Consulting Services	\$ 30,000.00
3-year Total		\$191,661.50

RELATIONSHIP TO STRATEGIC GOALS:

This agenda item relates to the 2016 Strategic Plan

Community Quality of Life

Foster environmentally conscious initiatives and continue to identify and develop city codes that support a clean, well-maintained, sustainable community.

Respectfully submitted by: Edgar Cisneros, Executive Director

Approved by: Daniel Hernandez, Director of Public Works

Prepared by: Gina Nila, Deputy Director of Public Works Operations

Reviewed by: Josh Brooks, Acting Director of Finance

Approved as to form by: Norma Copado, Agency Counsel

ATTACHMENTS:

1. Resolution
2. Amendment