



REPORT TO THE CITY COUNCIL

AGENDA ITEM NO.	16
COUNCIL MEETING	1/13/11
APPROVED BY	
DEPARTMENT DIRECTOR	
CITY MANAGER	

January 13, 2011

FROM: RUSSELL C. WIDMAR, AAE
Director of Aviation

SUBJECT: ADOPT A FINDING OF CATEGORICAL EXEMPTION PURSUANT TO ARTICLE 19, SECTIONS 15301 CLASS 1 (EXISTING FACILITIES), 15307 CLASS 7 (PROTECTION OF NATURAL RESOURCES), AND 15330 CLASS 30 (MITIGATION OF HAZARDOUS SUBSTANCES) OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT GUIDELINES FOR ENVIRONMENTAL CLEAN-UP AT AND IN THE VICINITY OF FRESNO YOSEMITE INTERNATIONAL AIRPORT, RELATED TO MILITARY OPERATIONS AT THEN NAMED HAMMER FIELD.

AUTHORIZE AMENDMENT NO. 1 FOR PROFESSIONAL ENGINEERING AND RELATED ENVIRONMENTAL SUPPORT SERVICES WITH ERM REMEDIATION & CONSTRUCTION MANAGEMENT WEST, INC. TO PROVIDE ON-GOING PROFESSIONAL ENGINEERING, ENVIRONMENTAL AND REMEDIAL ACTIONS CONCERNING GROUND WATER CONTAMINATION EMANATING FROM FRESNO YOSEMITE INTERNATIONAL AIRPORT NOT TO EXCEED \$366,999.

RECOMMENDATION

That the City Council adopt a CEQA finding of Categorical Exemption, and authorize the Director of Aviation to execute Amendment No.1 with ERM Remediation & Construction Management West, Inc (ERM West) in the amount not to exceed \$366,999 to provide professional engineering, environmental and remedial actions concerning ground water contamination emanating from Fresno Yosemite International Airport (FYI).

EXECUTIVE SUMMARY

Environmental clean-up that emanated from a military aircraft maintenance facility, at the then named Hammer Field (currently FYI), during the late 1940's through the 1950's has been on-going for 20 years. Oversight for the clean-up is through the State of California Department of Toxic Substances Control (DTSC) and Regional Water Quality Control Board (RWQCB).

Financial responsibility for the clean-up has been negotiated and new cost allocations identified in a recent Settlement Agreement among the City of Fresno (City), the United States Army Corps of Engineers (USACE) and the Boeing Company (Boeing). Under the terms of the Settlement Agreement USACE is responsible for 68%, Boeing for 22%, and the City for 10% of total clean-up costs from September 16, 2010 forward until the State is satisfied that the clean-up is complete. The Operating Agreement entered by the City, USACE, and Boeing pursuant to the Settlement Agreement ensures that the ongoing clean-up is coordinated by the parties including as to selecting and retaining consultants and contractors. The current Agreement with ERM West, the parties' remediation contractor identified in the Settlement Agreement, was executed on December 21, 2006 and included work through calendar year 2010. The parties, pursuant to the Operating Agreement, concur in City's

retaining and contracting with ERM West to perform the scope of work in Amendment No. 1, which scope of work has been reviewed, approved and mandated by the State.

The parties to the Operating Agreement, pursuant to the Operating Agreement, have determined that ERM West continues to be the most qualified consultant to manage the clean-up effort and the required coordination with the State DTSC and RWQCB. On past work for the City they have performed professionally and also have a very productive working relationship with USACE, Boeing, and the State of California. Even though they are an Arizona Corporation, for this work ERM West operates out of their Fresno office. One of the conditions of the Settlement Agreement requires that the City of Fresno execute all related agreements entered under the Operating Agreement on behalf of the parties.

BACKGROUND

The USACE and their subcontractor, North American Aviation (subsequently bought by Boeing), operated an extensive aircraft maintenance facility on what was then called Hammer Field in the late 1940's through the 1950's. Ground water contamination emanating from the former North American Aviation site was discovered in the 1980's. Clean-up activities began in 1990 and have included the installation of a soil vapor extraction system, monitoring wells, water treatment systems, related piping, operations and maintenance, system monitoring, and coordination with the State. So far over \$17,000,000 has been spent on clean-up related activities. The extent of clean-up at and around FYI is shown on the attached site map (labeled Figure 2).

Substantial progress has been made over the years, including a recent determination by the State that the soil vapor extraction system has successfully removed the source area contamination (P-3 hanger) and can now be decommissioned and eliminated. However, completion of the clean-up effort and 100% clearance by the State is still many years away. It is anticipated that the City will propose additional amendments to this Agreement in the future.

CEQA COMPLIANCE

Staff performed a preliminary environmental assessment and determined that the project is exempt pursuant to Article 19, Sections 15301/ Class 1,(Existing Facilities), Section 15307/Class 7 (Protection of Natural Resources), and 15330/Class 30 (Mitigation of Hazardous Substances) of the CEQA Guidelines. This categorical exemption is appropriate for the project, given that the project involves ongoing professional engineering, environmental and remedial actions concerning ground water contamination emanating from Fresno Yosemite International Airport. The remedial activities are, consistent with the Operating Agreement and are required regulatory maintenance, restoration, or enhancement of a natural resource for the protection of the environment, and in order to prevent, mitigate, or eliminate the release or threat of release of a hazardous substance. There is no or only negligible expansion in use and size beyond that existing at the time of staff's determination. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

FISCAL IMPACT

The City's financial responsibility for Amendment No. 1 is \$36,699. Funding will be provided by Airport Revenues and is included in the City's FY 2011 Adopted budget. There is no impact to the City's General Fund from this action.

Attachments:

Amendment No. 1
Figure 2 – Site Map

**AMENDMENT NO. 1 TO AGREEMENT
TO PROVIDE PROFESSIONAL ENGINEERING AND RELATED
ENVIRONMENTAL SUPPORT SERVICES BETWEEN
THE CITY OF FRESNO AND ERM REMEDIATION & CONSTRUCTION
MANAGEMENT WEST, INC.**

THIS AMENDMENT NO. 1 TO AGREEMENT, is made and entered into effective _____, 2011, by and between the CITY OF FRESNO, a municipal corporation (hereinafter referred to as "City"), and ERM REMEDIATION & CONSTRUCTION MANAGEMENT WEST, INC., an Arizona corporation, hereinafter referred to as "Consultant".

RECITALS

WHEREAS, the City on behalf of itself, the Boeing Company (hereinafter "Boeing"), and the United States Army Corps of Engineers (hereinafter "USACE") entered into an Agreement with Consultant dated December 21, 2006 (the "Agreement") for professional engineering, environmental and remedial actions concerning ground water contamination emanating from the Fresno Yosemite International Airport ("Airport" or, sometimes, "Old Hammer Field") which services are hereinafter collectively referred to as the "Project"; and

WHEREAS, the City, USACE, and Boeing have entered a Settlement Agreement and Order in Case No. 1:06-CV-01559-OWW-GSA, whereunder these parties entered an Operating Agreement to coordinate the ongoing clean-up including as to selecting and retaining consultants and contractors; and

WHEREAS, Consultant is the parties' remediation contractor identified in the Settlement Agreement; and

WHEREAS, the parties, pursuant to the Operating Agreement desire to amend the Agreement to provide for certain ongoing additional services; and

WHEREAS, the parties, pursuant to the Operating Agreement, concur in the ongoing retention of Contractor to perform the ongoing scope of work in this Amendment No. 1 to the Agreement and coordinate with the State of California Department of Toxic Substances Control (DTSC) and Regional Water Quality Control Board (RWQCB), as provided herein.

AGREEMENT

NOW THEREFORE, in consideration of the above recitals, which recitals are contractual in nature, the mutual promises herein contained, and for other good and valuable consideration hereby acknowledged, the parties agree as follows:

1. The Consultant shall perform the Additional Services described in "Proposed 2011 Tasks, Remedial Actions Implementation and Site Monitoring, Old Hammer Field, Fresno California", attached hereto as Exhibit A and incorporated herein.
2. The total fee for satisfactory performance of the Additional Services shall not exceed \$366,999, such that the total not to exceed fee for satisfactory performance of all services required or rendered pursuant to the Agreement as amended hereby shall not exceed \$720,845.
3. Consultant acknowledges and agrees that ninety percent (90%) of the total fees due under this Amendment is to be provided to the City from Boeing (22%) and from USACE (68%) pursuant to the Settlement Agreement and Order in City of Fresno v. United States of America, et al. (Case No. 1:06-CV-01559-OWW-GAS in the Federal District Court sitting in Fresno, California). Accordingly, the City shall not be obligated to compensate Consultant beyond the ten percent (10%) City share until the City has received the foregoing shares from Boeing and USACE.
4. Consultant shall report directly to the City of Fresno, Director of Aviation or his designated representative.
5. Except as expressly provided herein, all the provisions of the Agreement shall continue in effect.

///

IN WITNESS WHEREOF, the Parties authorized agents have executed this Amendment No. 1 to Agreement at Fresno, California, the day and year first above written.

CITY OF FRESNO,
a California municipal corporation

ERM WEST,
An Arizona corporation

By: _____
Russell C. Widmar, AAE,
Director of Aviation

By: _____

Name: _____

ATTEST:
REBECCA E. KLISCH
City Clerk

Title: _____
(if corporation or LLC, Board
Chair, Pres. or Vice Pres.)

By: _____
Deputy

By: _____

Name: _____

APPROVED AS TO FORM:
JAMES C. SANCHEZ
City Attorney

Title: _____
(if corporation or LLC, CFO,
Treasurer, Secretary or
Assistant Secretary)

By: _____
Senior Deputy/Deputy Date

Any Applicable Professional License:
Number: _____
Name: _____
Date of Issuance: _____

Addresses:

CITY:
City of Fresno
Attention: Russell C. Widmar
4995 East Clinton Way
Fresno, CA 93727
Phone: (559) 621-4600
FAX: (559) 498-5549

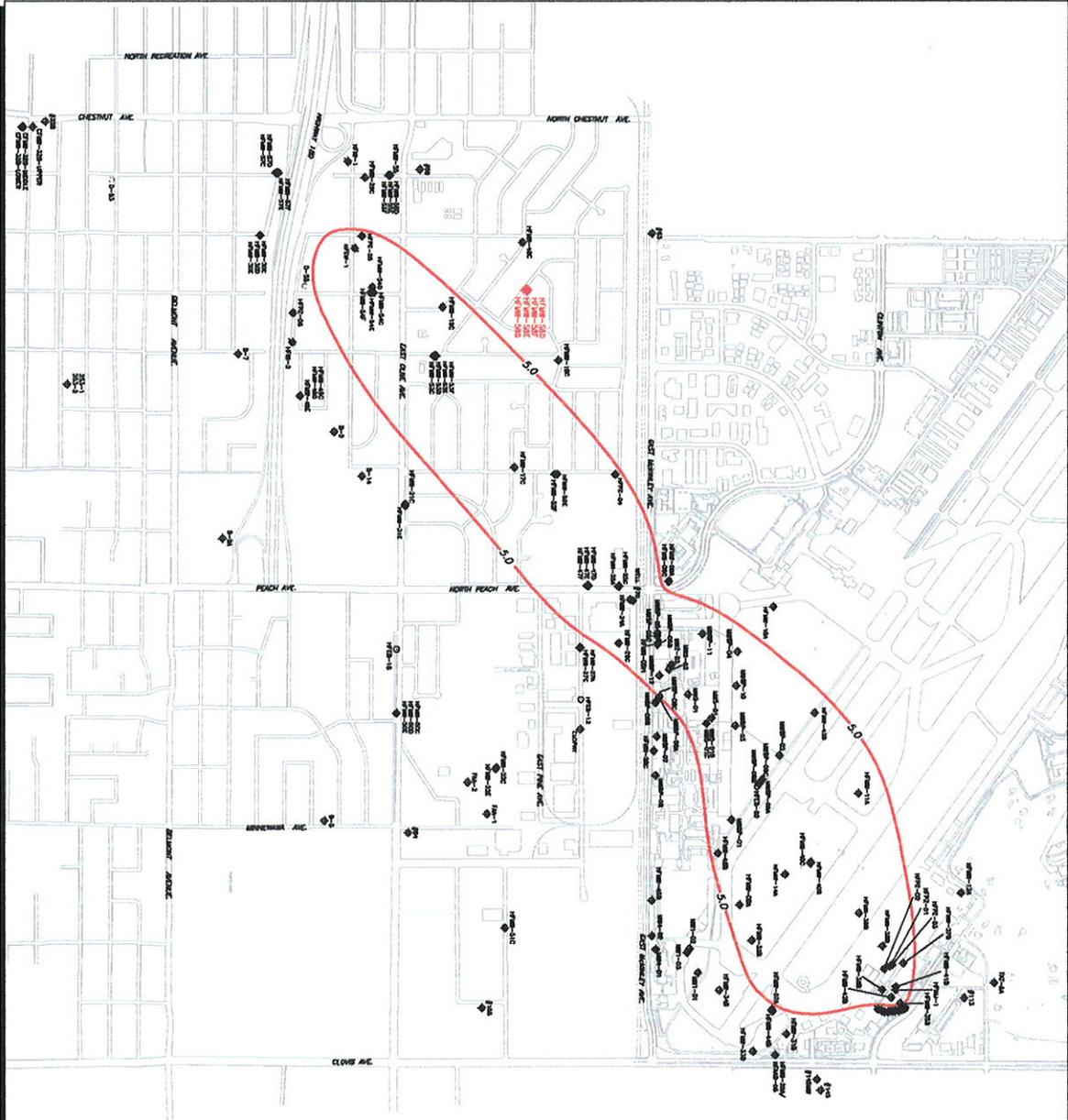
CONSULTANT:
ERM WEST
Attention: Truong Mai, PE
Partner
2875 Michelle Drive, Suite 200
Irvine, CA 92606
Phone: 949-623-4700
FAX: 949-623-4711

**EXHIBIT A
PROPOSED 2011 TASKS
REMEDIAL ACTIONS IMPLEMENTATION AND SITE MONITORING
OLD HAMMER FIELD, FRESNO, CALIFORNIA**

TASK	DESCRIPTION	BUDGET
SOURCE AREA		
SVE System Decommissioning	- Prepare closure work plan (use remaining budget from 2010). Schedule field work for 2012 to overlap with the Airport's hangar apron replacement project. No additional budget requests for 2011.	\$0
TOE-OF-PLUME		
System O&M	<ul style="list-style-type: none"> - Operate and maintain the toe-of-plume ground water extraction and treatment system. - Conduct monthly water sampling. - Optimize system operation as needed. - Monitor system performance in accordance with WDRs (RWQCB, 2008) and approved RDIP (ERM, 2007). - Request reductions for several WDR monitoring requirements (general chemistry analysis). 	\$149,033
SITE MONITORING		
Water Supply Contingency Plan Monitoring	- Monitor supply wells in accordance with the approved Water Supply Contingency Plan (ERM, 2006).	\$10,923
Ground Water Monitoring	<ul style="list-style-type: none"> - Conduct quarterly ground water monitoring in accordance with the approved monitoring plan (assumes approval of plan in 2009 annual report). - Prepare quarterly progress reports. 	\$85,965
OTHER SITE ACTIVITIES		
Project Management	- Provide project management, including regulatory interactions, client communications, cost and schedule management, and invoicing.	\$21,078
Potential Capture Analysis/Modeling	<ul style="list-style-type: none"> - This task may or may not be required. Its necessity and scope of work depend on the results from the new monitoring well network and DTSC/RWQCB requirements. - Budget amount listed is only a placeholder, in the event such efforts are required. 	\$100,000
Potential Additional Investigation or TOP System Expansion	- This task may or may not be required. Its necessity and scope of work depend on the results from the new monitoring well network and DTSC/RWQCB requirements.	To be determined
Total Requested Budget		\$366,999

Note:
Incorporated comments from:

- Boeing;
- City of Fresno; and
- US Government



LEGEND

- ◆ Proposed Monitoring Well
- ◆ Monitoring Well - A/B Zone
- ◆ Monitoring Well - C/D Zone
- ◆ Monitoring Well - E/F Zone
- ◆ Monitoring Well - H Zone
- ◆ Production Well
- ◆ Extraction Well
- ◆ Injection Well
- ◆ Piezometer
- Domestic Supply Well

— Date or Depth Monitoring Well Sampled

— TCE Concentration, g/l

5.0 — TCE Isopercetration Contour 4th Quarter 2009, µg/L; Dashed Where Inferred, Contours Based on Highest Concentration at Each Location, Regardless of Depth

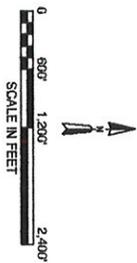


Figure 2
 Proposed Monitoring Well Locations
 Old Hammer Field
 Fresno, California
 E001 08/10