



REPORT TO THE CITY COUNCIL

AGENDA ITEM NO.	1B
COUNCIL MEETING	01/30/14
APPROVED BY	
DEPARTMENT DIRECTOR	
CITY MANAGER	

January 30, 2014

FROM: Kevin R. Meikle, Director of Aviation
Airports Department

SUBJECT: Authorize the Director of Aviation to execute Amendment No. 5 between City of Fresno and ERM-West, Inc. to provide on-going engineering, environmental and remedial actions concerning ground water contamination emanating from Fresno Yosemite International Airport for an amount not to exceed \$288,000

RECOMMENDATION

Authorize the Director of Aviation to execute Amendment No. 5 between City of Fresno and ERM-West, Inc. (ERM) to provide on-going engineering, environmental and remedial actions concerning ground water contamination emanating from Fresno Yosemite International Airport (FAT) for an amount not to exceed \$288,000.

EXECUTIVE SUMMARY

Environmental clean-up that emanated from a military aircraft maintenance facility, at the then named Hammer Field, currently FAT, has been on-going throughout the previous twenty-one years. The Operating Agreement entered into by the City of Fresno (City), United States Army Corps of Engineers (USACE), and Boeing pursuant to the Settlement Agreement ensures that the ongoing clean-up is coordinated by the parties including the selection and retention of consultants and contractors. The parties have determined that ERM continues to be the most qualified consultant to manage the clean-up effort and the required coordination with the State of California Department of Toxic Substances Control (DTSC) and the Regional Water Quality Control Board (RWQCB). 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 all parties. Amendment No. 5 is for remediation work in 2014.

BACKGROUND

Oversight for the clean-up is accomplished through DTSC and RWQCB. Financial responsibility for the clean-up has been negotiated and cost allocations identified in the Settlement Agreement reached among the City, USACE and Boeing. Under the terms of the Settlement Agreement the USACE was deemed responsible for 68%, Boeing for 22%, and the City for 10% of total clean-up costs beginning September 16, 2010, and to remain in effect 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 the selection and retention of consultants and contractors.

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 by the three parties. The extent of clean-up at and around FAT is shown on the attached site map (labeled Exhibit 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 hangar), which was decommissioned and removed last year. However, completion of the overall 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.

In regards to the past work that ERM has performed for the City our experience has been that they have performed professionally and also have maintained a very productive working relationship with the USACE, Boeing, and the State of California. ERM is a California corporation and they continue to operate out of their Fresno office for this project.

The current Agreement with ERM, who is the parties' remediation contractor identified in the Settlement Agreement, was executed on December 21, 2006, and included work through calendar year 2010. Amendment No. 1 was executed on February 4, 2011, and included work through calendar year 2011. Amendment No. 2 was executed on February 17, 2012, and included work through calendar year 2012. Amendment No. 3 was executed on December 11, 2012, and included work through calendar year 2013. Amendment No. 4 was executed on September 16, 2013, and included additional work for the installation of a replacement injection well, known as HFIW-2. The parties, pursuant to the Operating Agreement, concur with the City retaining and contracting with ERM-West to perform the scope of work in Amendment No. 5, which has been mandated by the State (Refer to attached Amendment No. 5).

With the execution of Amendment No. 5 the total not to exceed fee for satisfactory performance of all services required or rendered pursuant to the Agreement and all successive amendments, shall not exceed \$1,923,930. The City Attorney has reviewed and approved Amendment No. 5 as to form. FAT is located in Council District 4.

FISCAL IMPACT

The City's financial responsibility for Amendment No. 5 is \$28,800 (10% of the total cost). Funding will be provided by Airport Revenues and is partially included in the City's FY 2014 Adopted budget. The remaining amount will be included in the Department's FY 2015 Budget Request. There is no impact to the City's General Fund from this action.

Attachments:

- Amendment No. 5
- Exhibit 2 – Site Map

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**AMENDMENT NO. 5 TO AGREEMENT
TO PROVIDE PROFESSIONAL ENGINEERING AND RELATED ENVIRONMENTAL
SUPPORT SERVICES BETWEEN
THE CITY OF FRESNO AND ERM-WEST, INC. (FORMERLY ERM REMEDIATION &
CONSTRUCTION MANAGEMENT WEST, INC.)**

THIS AMENDMENT NO. 5 TO AGREEMENT TO PROVIDE PROFESSIONAL ENGINEERING AND RELATED ENVIRONMENTAL SUPPORT SERVICES, is made and entered into effective _____, 2014, by and between the CITY OF FRESNO, a municipal corporation ("City"), and ERM-WEST, INC., a California Corporation, formerly ERM REMEDIATION & CONSTRUCTION MANAGEMENT WEST, INC., an Arizona corporation ("Consultant").

RECITALS

WHEREAS, the City on behalf of itself, the Boeing Company ("Boeing"), and the United States Army Corps of Engineers ("USACE") entered into an Agreement to Provide Professional Engineering and Related Environmental Support Services with Consultant dated December 21, 2006 (the "Agreement"), Amendment No. 1 to the Agreement dated February 4, 2011, Amendment No. 2 to the Agreement dated February 17, 2012, Amendment No. 3 to the Agreement dated December 11, 2012, and Amendment No. 4 to the Agreement dated September 16, 2013 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 (collectively, the "Parties") 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 selection and retention of consultants and contractors; and

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

WHEREAS, the Parties desire to amend the Agreement to provide for certain ongoing additional services; and

WHEREAS, the Parties concur in the ongoing retention of Contractor to perform the ongoing scope of work in this Amendment No. 5 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 2014 Tasks, Remedial Actions Implementation and Site Monitoring, Old Hammer Field, Fresno California", attached hereto as Exhibit 1 and incorporated herein ("Additional Services").
2. The total fee for satisfactory performance of the Additional Services shall not exceed \$288,000, and the total not to exceed fee for satisfactory performance of all services required or rendered pursuant to the Agreement, as amended hereby and as previously amended by Amendment Numbers 1 through 4, shall not exceed \$1,923,930.
3. Consultant acknowledges and agrees that 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), ninety percent (90%) of the total fees due under this Amendment is to be provided to the City from Boeing (which shall pay 22% of the total payments due to Consultant hereunder to City) and from USACE (which shall pay 68% of the total payments due to Consultant hereunder to City). 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, or as previously set forth in Amendment Numbers 1 through 4, all provisions of the Agreement shall continue in effect.

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IN WITNESS WHEREOF, the Parties authorized agents have executed this Amendment No. 5 to Agreement to Provide Professional Engineering and Related Environmental Support Services at Fresno, California, the day and year first above written.

CITY OF FRESNO,
a California municipal corporation

By: _____
Kevin R. Meikle,
Director of Aviation

ATTEST:
YVONNE SPENCE, CMC
City Clerk

By: _____
Deputy

APPROVED AS TO FORM:
DOUGLAS T. SLOAN
City Attorney

By: Mary Ann B. Tooke Jan 15, 2014
Mary Ann B. Tooke
Deputy

Addresses:

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

ERM-WEST, INC.
A California corporation

By: Truong Mai

Name: TRUONG MAI

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

By: _____

Name: _____

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

Any Applicable Professional License:

Number: _____

Name: _____

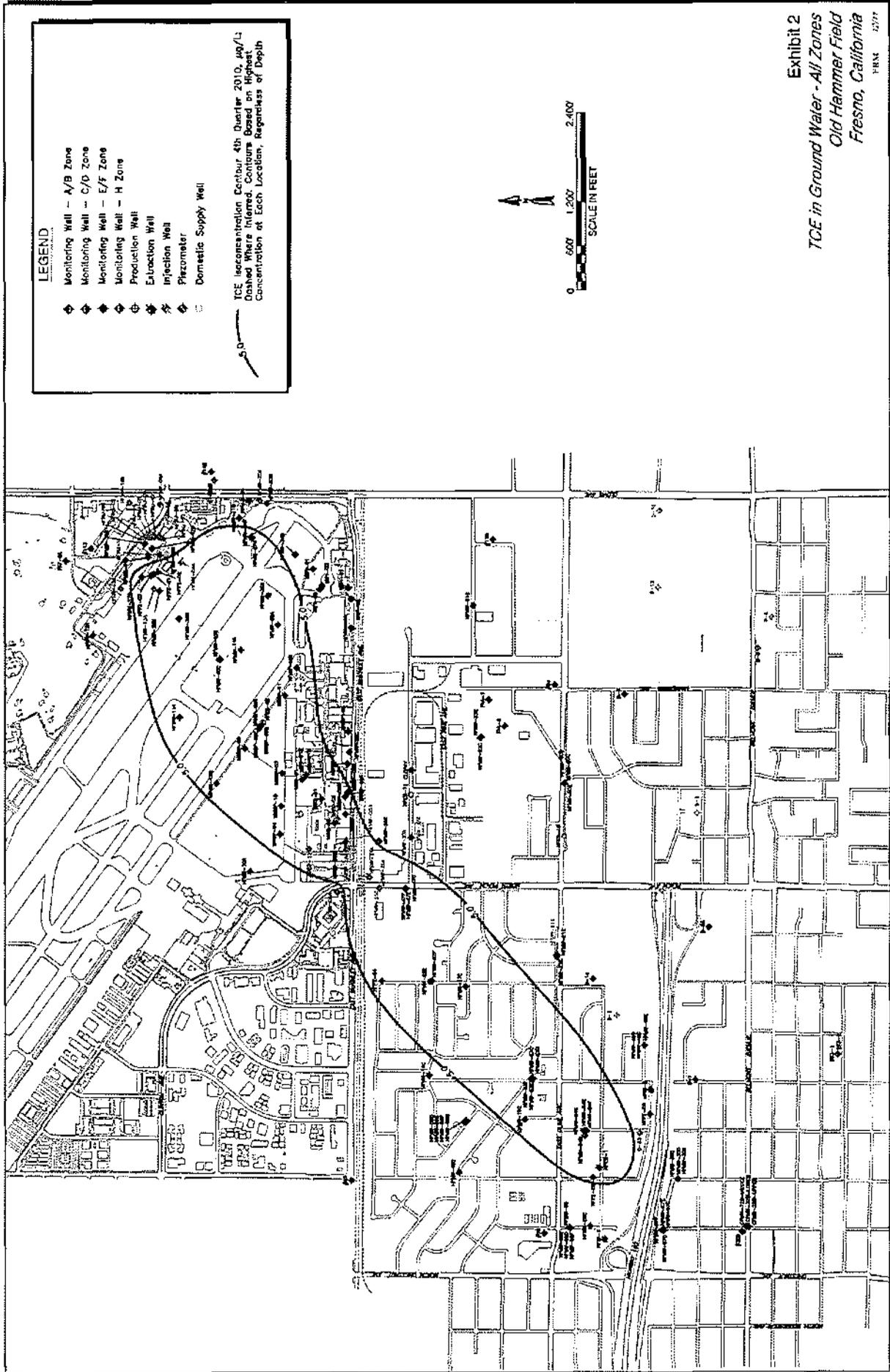
Date of Issuance: _____

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

EXHIBIT 1
 PROPOSED 2014 TASKS
 REMEDIAL ACTIONS IMPLEMENTATION AND SITE MONITORING
 OLD HAMMER FIELD, FRESNO, CALIFORNIA

DRAFT - 7 January 2014

TASK	DESCRIPTION	BUDGET
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). <p><i>Notes:</i> Similar to prior years, the routine O&M monthly costs have relatively consistent, except for non-routine items such as periodic carbon changeout, well replacement, etc. The requested budget is similar to the amount requested in 2013.</p>	\$173,900
SITE MONITORING		
Ground Water Monitoring (including Water Supply Contingency Plan Requirements)	<ul style="list-style-type: none"> - Conduct quarterly ground water monitoring in accordance with the approved monitoring plan. - Monitor supply wells in accordance with the approved Water Supply Contingency Plan (ERM, 2006). - Conduct water level monitoring associated with Well 70 rehabilitation and pump replacement activities. - Prepare quarterly progress reports. <p><i>Notes:</i> The requested budget is similar to the amount requested in 2013. No significant changes in monitoring requirements are anticipated for 2014.</p>	\$99,700
PROJECT MANAGEMENT		
Project Management	<ul style="list-style-type: none"> - Provide project management, including regulatory interactions, client communications, cost and schedule management, and invoicing. <p><i>Notes:</i> The requested budget for project management is slightly less than prior years to reflect actual needs of the last year and anticipated needs for 2014.</p>	\$14,400
Anticipated 2014 Budget Needs/Request =		\$288,000
REMAINING/UNUSED AUTHORIZED BUDGET FROM 2013		
<ul style="list-style-type: none"> - Capture Analysis - System O&M - Project Management 	<ul style="list-style-type: none"> - We estimate that approximately \$60,000 of unused budget will remain from the listed tasks at the end of 2013, due to lesser efforts required during 2013 (O&M and project management) or lesser requirements from the agencies (capture analysis). As with prior years, we recommend retaining this amount, in the event other non-routine tasks are needed during the year. 	\$60,000 (approximate)
HFIW-2 Decommissioning and Replacement	<ul style="list-style-type: none"> - Approximately \$195,000 of the approved budget for this task will remain at the end of 2013. This entire amount will be spent by the end of March 2014, when we expect to complete all decommissioning and replacement work, including reconnection to the toe-of-plume system. 	\$195,000 (approximate)



LEGEND

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

TCE Isocentration Contour 4th Quarter 2010, $\mu\text{g}/\text{L}$
 Dashed Where Inferred, Contours Based on Highest
 Concentration at Each Location, Regardless of Depth

Exhibit 2
TCE in Ground Water - All Zones
Old Hammer Field
Fresno, California

FIG. 1277

DD File: F:\060425\60\006042560-02.dwg
 C:\altd3
 Date: 12/19/11
 0060425.60
 12/19/11

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