



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: 08-24-06

Approved

Deanne J. J. J.

Date

8/24/06

COUNCIL DISTRICT: 3

SUBJECT: APPROVAL OF A MASTER AGREEMENT WITH URS CORPORATION FOR VARIOUS SERVICES RELATED TO ENVIRONMENTAL TESTING OF SOIL ON TERRACE DRIVE AND ON CERTAIN RESIDENTIAL PROPERTIES LOCATED ON TERRACE DRIVE AND ADOPTION OF APPROPRIATION ORDINANCE AMENDMENTS IN THE GENERAL FUND FOR THE GREATER TERRACE DRIVE SOIL TESTING PROJECT

RECOMMENDATION

- a) Approval of a master agreement with URS Corporation, in an amount not to exceed \$100,000, to perform various services related to environmental testing of soil on Terrace Drive and on certain residential properties located on Terrace Drive.
- b) Adoption of Appropriation Ordinance amendments in the General Fund to:
 1. Establish an appropriation to the Public Works Department for the Greater Terrace Drive Soil Testing project in the amount of \$100,000;
 2. Decrease the Contingency Reserve by \$100,000.

OUTCOME

Approval of the master agreement and approval of appropriation actions will enable the Department of Public Works (DPW) to issue service orders providing for URS Corporation to immediately commence environmental testing of soil on Terrace Drive and on certain residential properties located on Terrace Drive. The soil testing to be provided under this proposed master agreement would NOT be work performed as part of the Voluntary Cleanup Agreement between the City and the State of California, Department of Toxic Substances Control (DTSC) for the characterization and cleanup of Watson Park (Voluntary Cleanup Agreement). The City will offer soil testing on a voluntary basis for all properties on Terrace Drive - other than the nine Terrace Drive residential properties that are part of the characterization and cleanup work being performed pursuant to the Voluntary Cleanup Agreement. If a property owner elects to have the soil testing performed on his/her property, the City will do so at no cost to the property owner.

BACKGROUND

The City entered into a Voluntary Cleanup Agreement with the State of California, Department of Toxic Substances Control (DTSC) for the characterization and cleanup of the City-owned Watson Park property located on Jackson Street. Pursuant to a master agreement with the City, URS Corporation has been, and is currently, performing a variety of services related to investigating, characterizing and cleaning up the former burn dump site at Watson Park. This work has been, and will continue to be, done in close coordination with, and with the consent of, DTSC.

The investigation and characterization of the former burn dump site as Watson Park was ultimately expanded to include the testing of soil on nine residential properties located on Terrace Drive and the excavation of soil from the backyards of eight of those nine private residences. As a result of the soil testing and excavation work performed on the nine private residences on Terrace Drive, the City, DTSC and URS Corporation all concur that the limits of burn ash have been determined and that there is no need to include any other properties on Terrace Drive in the work being performed pursuant to the Voluntary Cleanup Agreement.

Nevertheless, some of the other residents on Terrace Drive have requested that the City perform environmental soil tests on their properties as well. To alleviate the concerns of these residents, the City desires to provide the requested soil testing. Such testing will NOT be conducted as part of the Watson Park characterization and cleanup work being completed pursuant to the Voluntary Cleanup Agreement. Approval of this proposed master agreement will allow the City to perform the soil tests requested by some of the other residents on Terrace Drive.

ANALYSIS

The proposed new master agreement with URS would provide generally for URS to perform various services related to environmental testing of soil located in the following two general locations: (1) within the public right of way commonly identified as Terrace Drive, and (2) on private, residential properties located on Terrace Drive – other than the nine private, residential properties that have been the subject of investigation, characterization and clean up under the Voluntary Cleanup Agreement. The specific work to be performed by URS will be identified and performed pursuant to individual service orders issued by DPW pursuant to the proposed, new master agreement.

Importantly, the work performed under the proposed, new master agreement with URS will NOT be part of the characterization and cleanup work being performed by the City pursuant to the Voluntary Cleanup Agreement. Accordingly, each of the home owners will be given the choice of having the City perform the testing work or not having the City perform the work. If the home owner chooses to have the City perform the soil testing work, then the City will do so at no cost to the home owner. To assist the home owner in making an informed decision on whether or not to request soil testing, staff will inform them of the following:

1. That the testing is voluntary and not part of the Voluntary Cleanup Agreement between the City and DTSC;
2. That lead in soil can come from a variety of relatively common sources not related to the burn ash at Watson Park, including lead based paints, auto emissions, and the once common practice of individuals burning garbage as a waste disposal method;
3. That the results of soil tests could trigger requirements for the home owner and/or City to report the test results to regulatory agencies such as DTSC;
4. That the City is subject to certain legal requirements, such as those applicable to the disclosure of public records, that may result in the City having to publicly disclose the results of the soil sampling; and
5. That the home owners could be responsible for clean up costs.

Under the City's Local Preference Policy, the project manager is required to solicit competitive proposals for the work from at least three different consultants if "practicable." It is not "practicable" to solicit three proposals for the work contained in the proposed master agreement. Although the work to be performed in the proposed master agreement is not part of the work being performed by the City pursuant to the Voluntary Cleanup Agreement, URS is very familiar with the conditions and many of the residents on Terrace Drive and is mobilized to perform the work. URS is well qualified to perform the work effectively, quickly and efficiently. Because of the desire to complete the testing work on Terrace Drive quickly, it would not be practicable to solicit proposals from other consultants.

This memorandum includes a recommendation to appropriate funding totaling \$100,000 for additional soil testing. This funding will enable the City to perform soil testing work for all homeowners who request it. At the end of the process, any remaining funding will be returned to the General Fund.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater.
(Required: Website Posting)

- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item does not meet any of the above criteria. Since 2004, several meetings have been held with neighborhood residents and park users for the purpose of listening to questions and concerns and to inform all community stakeholders of the plans and progress of environmental studies, testing, and activities related to Watson Community Park and Terrace Drive projects. Information updates concerning community meetings, ongoing study elements and progress, status on interim reports from consultants, and activities with DTSC have been regularly posted to the City's website under the Parks, Recreation and Neighborhood Services Department page and through neighborhood outreach efforts. City and DTSC staff regularly meet with a Community Advisory Committee on the results of the testing and ongoing work by City consultants and staff regarding the ongoing characterization study, park master planning and design elements that are in process.

City staff was present at community meetings held on August 2 and August 21 with the greater Terrace Drive residents. Karen Toth from DTSC, Susie Vedanthem from URS Consultants and Ty Williams from the San Jose Unified School District also attended the August 21 meeting. Outreach for the meetings was done with door-to-door notice by City staff. This award memo will be posted on the City's website for the August 29, 2006 Council agenda.

COORDINATION

This project and memorandum have been coordinated with the Departments of Planning, Building and Code Enforcement, General Services, Environmental Services, Finance, the City Attorney's Office, and the Council District 3 Office.

FISCAL/POLICY ALIGNMENT

Not applicable.

HONORABLE MAYOR AND CITY COUNCIL

08-24-06

Subject: Approval of a Master Agreement with URS Corporation for Environmental Testing Services and Adoption of Appropriation Ordinance Amendments to Establish the Soil Testing on Terrace Drive Project
Page 5 of 5

BUDGET REFERENCE

Fund #	Appn. #	Appropriation Name	Total Appn.	2006-2007 Proposed Operating Budget (Page)	Last Budget Action (Date, Ordinance #)
001	7901	Contingency Reserve	\$27,005,000*	IX - 26	

* This memorandum includes an appropriation action to allocate \$100,000 from the Contingency Reserve for the Soil Testing on Terrace Drive project.

CEQA

CEQA: Exempt, PP06-138.



KATY ALLEN
Director, Public Works Department



LARRY D. LISENBEE
Budget Director

KJ:wt:jp

For questions please contact DAVE SYKES, ASSISTANT DIRECTOR, PUBLIC WORKS DEPARTMENT at (408) 535-8300.

SEP 20 10 51 AM '06
CITY OF SAN JOSE
RECEIVED