



# PUBLIC WORKS DEPARTMENT

Council Meeting Date: January 30, 2007

Staff Report #: 07-015

Agenda Item #: H4

## INFORMATION ITEM: Update on the Terminal Avenue Housing Site Remediation

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This is an information item and does not require Council action.

### BACKGROUND

The Community Development Agency Board (Redevelopment Agency) entered into an Exclusive Negotiating Rights Agreement with Peninsula Habitat for Humanity (Habitat) on November 21, 2001, for the development of owner-occupied, affordable houses on the 65,000-square-foot, City-owned Terminal Avenue property. A map of the property is included as Attachment A.

During preliminary environmental assessment of the site, degraded diesel fuel was discovered in the groundwater. The Regional Water Quality Control Board (Regional Board) requires the City, as the property owner, to determine and report the full extent of the groundwater contamination and to mitigate the contamination on the property. The County of San Mateo's Environmental Health Services Division Ground Water Protection Program (County) is the lead regulatory agency for the project, acting on behalf of the Regional Board. A site assessment report describing the extent of the contamination was submitted to the County in October 2004. The report shows the extent of total petroleum hydrocarbon groundwater contamination located 10 to 14 feet below the ground surface over an area of approximately 100 feet by 90 feet. Complete removal of the petroleum hydrocarbons floating on the surface of the groundwater is the minimum regulatory cleanup required. The remediation project will also include replacing contaminated soil to make the site suitable for residential development.

On November 29, 2005, the Redevelopment Agency approved a contract with Erler & Kalinowski, Inc. (EKI), to provide environmental consultant services for the remediation of the site. The contract included a pre-design study and preparation of a Site Remediation Work Plan (Work Plan). Prior to the remediation work proceeding, the County must approve the Work Plan, which describes the approach for cleaning the site and how verification of the remediation will be achieved.

### ANALYSIS

Prior to submission of the Work Plan, staff and EKI received input from the County on the validity of various approaches to the cleanup. The selected approach to the site remediation included a pre-design sampling plan to further define the limits of contamination. The additional sampling would also serve as confirmation samples for the cleanup. This approach would result in higher upfront costs but would significantly

reduce the uncertainty during soil remediation excavation, resulting in lower anticipated construction costs and reduced potential for delays.

The Work Plan, which included the pre-design sampling plan, was submitted to the County and approved in May 2006. EKI then proceeded with implementing the pre-design sampling plan. A report discussing the results was submitted to the County in September 2006. The report established the excavation perimeter on the site that represented the lateral extents for remediation. The report also concluded that visual petroleum contamination coincided with laboratory results and that this would be the basis for verifying vertical remediation limits. As a result, no bottom samples of the excavation will be required during remediation and vertical limits of excavation will be based on field observations. The depth of excavation may be up to 16.5 feet below the ground surface, which is more than the 14 feet previously anticipated. The County approved the findings of the report, and EKI is proceeding with developing plans and specifications for the remediation project.

In September 2006, the Environmental Protection Agency (EPA) awarded the City a Brownfields Grant in the amount of \$200,000 for the site remediation. During review of the grant agreement, staff identified points of concern that are currently under review to determine if accepting the grant might create conditions that adversely affect the remediation contract and/or place restrictions on the future development of the site. The grant covers only a portion of the current remediation cost estimate of \$1.3 million. Accepting the grant may place constraints on how the entire remediation contract is administered. If field conditions warrant deviation from the Work Plan, the EPA may require review of these changes. This could result in costly delays to the remediation contract. In addition, Habitat has expressed concerns that accepting federal funding for the project may result in additional conditions for development of the site. The grant acceptance may require the Habitat development to follow Federal environmental guidelines, which may be lengthier and costlier to follow than State environmental guidelines. Staff will clarify these concerns and will determine whether to accept the grant prior to putting the remediation contract out to bid. If staff elects to accept the grant, the acceptance will be brought before the Agency for approval.

Staff has also sought additional grant funding from the Orphan Site Cleanup Act (OSCA), which funds cleanup sites directly caused by leaking underground storage tanks. Unfortunately, the grant requires historical or physical confirmation of the existence of an underground storage tank. At present, neither can be provided for the site. If a tank is encountered during the remediation, staff will resubmit an application for this grant funding. These funds, if obtained, are administered by the State and would not be subject to Federal review.

The Redevelopment Housing Fund currently funds the remediation project. Based on the current project estimate, approximately \$300,000 of additional funding may be required if the Brownfields Grant is not accepted. The amount of additional funds, if required, will be determined when bids are opened and actual costs are determined.

The project is anticipated to be advertised for bids in Spring 2007, with the remediation completed by Fall 2007.



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Art Morimoto  
Engineering Services Manager

**PUBLIC NOTICE:** Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

**ATTACHMENTS:** A. Location Map

# TERMINAL AVENUE HOUSING SITE REMEDIATION

LOCATION MAP

ATTACHMENT A

REMEDIATION  
AREA

TYCO ELECTRONICS

CHILCO ST

UNION PACIFIC RAILROAD

BEECHWOOD  
SCHOOL

SITE

1467  
MENLO PARK  
FIRE DEPT #77

ONETTA HARRIS  
COMMUNITY  
CENTER

TERMINAL

AVE

DEL NORTE AVE

BIEBER AVE

PLUMAS AVE

HAMILTON AVE

HILL AVE

MODOC AVE

ALMANOR AVE

BELLE HAVEN  
SCHOOL

CHILCO ST

HENDER AVE

