

FINANCIAL IMPACT STATEMENT
For Council Action Items
(Use this form for Ordinances and Resolutions)
(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator Rick Applegate/Sara Gardner	2. Telephone Number 503-823-/503-823-7025	3. Bureau/Office/Dept. BES/Office of Director/Portland Harbor
4a. To be filed (date) October 13 2010	4b. Calendar (Check One) Regular Consent 4/5ths [] [x] []	5. Date Submitted to FPD Budget Analyst:

1) Legislation Title: *Amend contract with GSI Water Solutions, Inc. for CERCLA Technical Assistance at the Portland Harbor Superfund Site. (Ordinance; amend Contract No. 36324)

2) Purpose of the Proposed Legislation: The Ordinance is to extend the contract with Groundwater Solutions, Inc. to assist the City's efforts in the CERCLA RI/FS process, including human health and ecological risk assessments and liability management. The needs and level of activity will vary depending upon each specific phase of the RI/FS, direction provided by EPA and its partners, and specific issues that could affect the City's interests.

The contract scope of work will be divided into the following main elements and continue work on the following:

Review LWG common consultant and Agency work products, and participate in meetings with LWG common consultants and Agency representatives to ensure the investigation process is technically sound, is in full compliance with relevant statutory and regulatory provisions and reflects City priorities.

Participate in the human health and ecological risk assessment process, review human health and ecological risk exposure assumptions and scenarios and risk assessments.

Provide technical assistance on CERCLA-related issues such as potential of groundwater and stormwater as a source of contamination; on the impact of early actions in the overall site cleanup strategy; and development of the Feasibility Study, Proposed Plan and Record of Decision.

Provide assistance with liability management, such as compiling information required by regulatory enforcement actions and third party litigation and identification of contamination sources and pathways.

3) Revenue:

Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If new revenue is generated identify the source.

None

4) Expense:

What are the costs to the City as a result of this legislation?

We anticipate the budget for the scope to be \$915,000 for this fiscal year.

Future costs beyond FY 10-11 will be determined by the need and EPA directives over the next several years as the work on Portland Harbor moves beyond the Feasibility Study to the Proposed Plan, the federal Record of Decision and the resolution of liability

5) Staffing Requirements:

a) Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?

It is not anticipated that this legislation will create, eliminate or re-classify positions.

b) Will positions be created or eliminated in future years as a result of this legislation?

It is not anticipated that this legislation will create, eliminate or re-classify positions.

6) Change in Appropriations: Budget changes for the current year must go through the BMP Process. This section may only be use with prior permission of your OMF analyst for exceptions. Reflect the dollar amount to be appropriated by this legislation. Include the appropriate center codes and accounts to be used by Central Accounting. Indicate "new" in Center Code column if new center needs to be created. Use additional space if needed.

Fund	Center Code	Account	Amount	Project Fund	Project No.

EM *Dean Marriott*

Dean Marriott, Director, Bureau of Environmental Services

APPROPRIATION UNIT HEAD (Typed name and signature)

City Council
Agenda Item
Staff Supplemental Report

TO: Commissioner Amanda Fritz
THROUGH: Patti Howard and Matt Grumm

FROM: Rick Applegate

DATE: September 15, 2010

RE:

*Amend contract with GSI Water Solutions, Inc. for CERCLA Technical Assistance at the Portland Harbor Superfund Site. (Ordinance; amend Contract No. 36324)

Requested Council Hearing Date: October 13, 2010

I. RECOMMENDATION

Extend and amend contract with GSI Water Solutions, Inc. for CERCLA technical Assistance at the Portland Harbor Superfund Site for one year with the option to renew renewing the contract for up to four additional one year terms.

II. BACKGROUND

The City Council has designated the Bureau of Environmental Services (BES) to lead the City's efforts in the Portland Harbor Superfund cleanup. The City is a member of the Lower Willamette Group, a group of private and public entities who have signed a formal Consent Order agreement with the Environmental Protection Agency to fund the Portland Harbor Remedial Investigation and Feasibility Study (RI/FS). The City also has a role as a party potentially responsible for investigation and cleanup of the contaminated sediments. The LWG is working with EPA and its federal, state and Tribal partners to plan and implement a Remedial Investigation and Feasibility Study (RI/FS). The LWG began this work in 2001. Current project schedule anticipates a completed RI/FS no earlier than 2010.

Consultants have been used to assist the City in the Portland Harbor Superfund Site remedial investigation since before the EPA listing in 2000. Hiring consultants has allowed the City to limit the number of permanent staff, and more effectively adjust to varying levels of effort and specific areas of technical expertise needed in the various phases of the project. This contract will continue to support the City's involvement in the CERCLA investigation.

III. FINANCIAL IMPACT

Funding for the first 12 months of this contract is not expected to exceed \$915,000. Since work will be assigned to the contractor as needed, there is no guarantee that this amount of money will be spent. The initial contract will be for a 1-year term, with four one-year options to renew, not to exceed 5 years.

IV. LEGAL ISSUES

Throughout the Superfund project, the City will be assessing its potential liability for sediment contamination in the Portland Harbor Superfund site. Harbor Liability for damages to natural resources will also need to be assessed. Natural resource trustee agencies and Tribal governments will develop these natural resource damage assessments. While the legal aspect of

liability assessment and management will be directed by the City Attorney's office, the Contractor will be able to provide technical support for the City's legal positions.

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V. CONTROVERSIAL ISSUES

No controversial issues are anticipated.

VI. LINK TO CURRENT CITY POLICIES

Superfund staff are working closely with the Office of Healthy Rivers, the Watershed planning effort, the City's Endangered Species Act Program, and BES Source Control staff in the development of an integrated City approach to Willamette River-related activities and issues. Using this contractor to ensure we use Superfund technical contractors in the most efficient and effective way will provide the City a cost effective response to the Superfund listing.

VII. CITIZEN PARTICIPATION

Community involvement is a critical component of any Superfund site. A Portland Harbor Community Advisory Group (CAG) was formed in 2001, and is tracking the progress of the Superfund cleanup. City staff attend CAG meetings, and provide information as requested.

Superfund staff also work with other BES staff to coordinate meetings with environmental, community and neighborhood groups and work with BES Communications staff and the LWG communications consultant on developing written materials for public distribution.

VIII. OTHER GOVERNMENT PARTICIPATION

Many other governmental entities are involved in the Superfund cleanup. They include the federal government (Environmental Protection Agency, NOAA Fisheries, US Fish and Wildlife, Agency for Toxic Substance and Disease Registry), Oregon state government (Department of Environmental Quality, Department of Fish and Wildlife) and Tribal Governments (Nez Perce, Umatilla, Warm Springs, Yakama, Siletz and Grand Ronde).

IX. FINANCIAL IMPACT ON LOCAL ECONOMY

IF APPLICABLE, PROVIDE INFORMATION ON ESTIMATED NUMBER OF JOBS CREATED BY THIS ACTION

IF THIS ACTION IS CONTRACT-RELATED, PROVIDE INFORMATION ON M/W/ESB PARTICIPATION (NUMBER AND PERCENTAGE)

X. IF THIS IS A CONTRACT, DOES CONTRACTOR HAVE A CURRENT BUSINESS LICENSE? Yes WHAT IS THEIR BUSINESS LICENSE NUMBER? IS THEIR ACCOUNT WITH THE CITY CURRENT? IF NOT, HOW MUCH IS OWING?