

**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 <del>13</del> 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 Source Control Technical Assistance at the Portland Harbor Superfund Site. (Ordinance; amend Contract No. 36325)

**2) Purpose of the Proposed Legislation:**

Authorize the City to enter into a contract with Groundwater Solutions, Inc. to assist the City's source control efforts associated with the Portland Harbor Superfund site.

The contract scope of work is divided into the following main elements and will continue to provide the following:

- Technical assistance in identifying contamination sources and determining appropriate source control activities within the City's stormwater outfall drainage basins located in and near the Portland Harbor Superfund Site.
- Technical assistance with implementing the IGA with DEQ, including document preparation, document review, and coordination with DEQ and BES Source Control staff.
- Technical assistance in liability management and allocation issues. Specific services could include: development of cost allocation documentation and identification of contamination sources and pathways.
- Advise City staff on a long-term strategy and approach to source control as part of the Superfund work, including, the City's strategic approach to liability management and cost allocation.

Consultants have assisted the City in the Portland Harbor Cleanup since before the EPA listing in 2000. Hiring consultants has allowed us to limit the number of permanent staff, and more effectively adjust to varying levels of effort needed in this area. This contract will support the City's source control efforts. Other contracts are being issued that provide support in CERCLA and Risk Assessment, eco-system restoration and program coordination.

**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 \$650,000 for this fiscal year which is in the Portland

Harbor budget already. Future costs will be determined by the needs of the project.

**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 in future years.

**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.
OMF USE ONLY					

*em*   
 Dean Marriott, Director, Bureau of Environmental Services  
 APPROPRIATION UNIT HEAD (Typed name and signature)

City Council  
Agenda Item  
Staff Supplemental Report

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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 Source Control Technical Assistance at the Portland Harbor Superfund Site. (Ordinance; amend Contract No. 36325)

Requested Council Hearing Date: October 13, 2010

#### I. RECOMMENDATION

Extend and amend contract with GSI Water Solutions, Inc. for Source Control 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 Administrative 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 cleaning up the contaminated sediments. The City is coordinating with DEQ on upland efforts and EPA on the in-water work. The LWG is working with EPA and its federal, state and Tribal partners to plan and implement a the RI/FS. The LWG began this work in 2001. The draft RI/FS was submitted in October 2009. The City anticipates continued work with EPA and its partners as the federal Proposed Plan and Record of Decision are prepared over the next several years.

Consultants have been used to assist the City in the Portland Harbor investigations and source control work since before the EPA listing in 2000. Hiring consultants has allowed us to limit the number of permanent staff, and more effectively adjust to varying levels of effort and specific technical expertise needed on the project. This contract will continue to support the City's involvement in the important source control investigations that must be completed before the in-water cleanup can begin in the Harbor.

#### III. FINANCIAL IMPACT

The amended contract amount of \$3,853,000 is increased by \$650,000, for a new not-to-exceed contract amount of \$4,503,000. Funding for the first 12 months of this contract is not expected to exceed \$650,000. 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 share of liability based on contamination from the stormwater outfalls within and adjacent to the Superfund Site. While the legal aspect of liability assessment and management will be directed by the City Attorney's office, this Contractor will be able to provide support to City staff in planning for the allocation process.

## 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 Management 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 and related source control activities.

## 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. BES

Superfund staff also 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) Yes, Women-owned small business.

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?