

**Memorandum
Community and Economic Development**



To: Thomas Thomas, City Manager
Subject: Tank Removal & Closure
Date: June 1, 2016

In completing the due diligence on the Watchtower Plaza site, the environmental consultant for Walmart found a 1,000 gallon tank on the site. It was found near the location which the City had removed another tank as part of the property demolition. It was known the site was a former gas station but no information was available as to the underground storage tanks. The consultant only found the tank by going over the site with ground penetrating radar.

CED staff asked Terracon for a proposal to remove the tank. Terracon provided a proposal for tank removal services in the amount of \$11,700. Since the sales contract to Walmart indicates the tank would CED staff was directed to have the tank removed under an emergency action. The tank is schedule for removal on Thursday June 2nd.

RECOMMENDATION:

CED recommends that the City Council approve the emergency tank removal by Terracon in the amount of \$11,700.

Vendor: Terracon, Bettendorf, Iowa
Payment Amount: \$11,700
Fund: 209
Department: 312
Cost Center: 801
Object Code: 53102
Project: 6177
Grant: 0000

Submitted by: Jeffery A. Eder, Assistant City Manager / Community and Economic Development Director

Approved by: Thomas Thomas, City Manager



May 23, 2016

Mr. Jeff Eder
City of Rock Island Economic Development Department
1528 Third Avenue
Rock Island, IL 61201
Phone: (309) 732-2910
Email: eder.jeff@rigov.org

Re: Proposal for Tank Removal & Closure
Former Plaza Texaco
3802 11th Street
Rock Island, IL 61201
OSFM ID No. 3045835
Terracon Proposal No. P07167056

Dear Mr. Eder:

Terracon Consultants, Inc. (Terracon) appreciates the opportunity to submit this proposal to conduct tank closure services at the above referenced property. Terracon has conducted thousands of environmental service projects across the country similar to this proposed project. In addition, Terracon has extensive experience performing geotechnical and construction testing services. For more detailed information on all of Terracon's services please visit our web site at www.terracon.com. An outline of the project, Terracon's scope of services, including schedule and compensation are provided in the following sections.

1.0 PROJECT INFORMATION

The City of Rock Island owns the property, which is a vacant lot. A gasoline station operated at the property from at least 1963 through 1977. A restaurant and then a pawn shop operated at the property from 1980. The City purchased the property and surrounding parcels in 2012/2013 and demolished the buildings in 2015. During demolition, a 500-gallon underground storage tank (UST) that reportedly contained used oil was discovered. The UST was removed on April 7, 2015, and a release of less than 5 gallons of used oil sludge was reported. Impacted soil and the UST were excavated and removed. A No Further Remediation (NFR) letter was issued by the Illinois Environmental Protection Agency (IEPA) on June 17, 2015, for Leaking Underground Storage Tank (LUST) Incident No. 20150332.

Terracon subsequently conducted a Phase I Environmental Site Assessment (ESA) for Manhard Consulting, Inc. (Manhard). The Phase I ESA report was dated April 1, 2016 (Terracon Project Number 07167006). The presence of a former gasoline station and the lack of documentation regarding removal of gasoline tanks at the property was considered a Recognized Environmental Condition (REC). To assess the REC, Terracon conducted a geophysical survey on the property

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on May 12, 2016. The geophysical survey identified several anomalies on the property. On May 19, 2016, the anomalies identified were investigated by exploratory excavation. During excavation activities, Terracon found an approximate 1,000-gallon single-wall steel UST buried approximately 5 feet below ground surface (bgs). The UST appeared to contain a mixture of water and product. On May 20, 2016, Terracon observed approximately 75 feet of product lines that were not connected to the 1,000-gallon UST and were buried approximately 8 to 12 inches bgs. The lines were configured in an “L” shape that ran 10 feet to the south from the UST, then east for an additional 65 feet. As the piping ran to the east, four additional runs of piping were observed. The piping stopped at the eastern extent of the run and was not connected to petroleum equipment. The piping was free of liquids and was intermittently connected in sections. Field observations indicated staining, but elevated photoionization detector (PID) readings were not observed in soil samples collected along the piping run. One sample was collected for analysis for Illinois LUST parameters (benzene, toluene, ethylbenzene and xylenes [BTEX], lead, and pH).

The former gasoline station ceased operations sometime after 1977. Given this age, the UST would not be considered “exempt” UST in consideration of State and Federal UST regulations.

This proposal presents the cost estimate of fees for UST closure activities. Terracon will coordinate with a qualified excavation subcontractor to schedule field personnel to be on site during the closure activities for sampling and oversight. We estimate that the removal can be completed in one day, weather and site conditions permitting.

Sampling and reporting will be completed according to the IEPA guidelines for UST excavation sampling. In addition, Terracon will provide a certified UST decommissioner as required by the Illinois Office of the State Fire Marshal (OSFM).

2.0 SCOPE OF SERVICES

2.1 UST Excavation

- n A Notification for UST will be submitted to the OSFM along with a \$600 fee for registration.
- n A site specific Health and Safety Plan will be generated prior to starting field work and will be used by Terracon and subcontractor personnel while on site.
- n No later than 48 hours prior to the UST removal, Terracon will contact the Illinois Joint Utility Locating Information for Excavators (JULIE) service to request that member companies locate their underground utilities in the area of the investigation. If there are public or private utilities not included in the JULIE request, locating of those will be the City’s responsibility. The OSFM will be provided with

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a "Permit for Removal of Underground Storage Tank(s)" and a \$200 application fee provided by the certified UST decommissioner to initiate UST closure activities.

- n Terracon will coordinate UST removal, cleaning, disposal, and backfilling activities and will collect field documentation necessary for report completion.
- n Terracon will collect five soil samples near the UST, and four near the piping runs for documentation of site conditions utilizing excavation equipment during the excavation of the UST.
- n The soil samples will be analyzed for Illinois LUST indicator parameters for older gasoline releases, including BTEX, lead, and pH by United States Environmental Protection Agency (EPA) Methods 5035/8260, 6010, and SM 4500. In the event that the analysis indicates elevated concentrations of lead, the samples will be analyzed by the Synthetic Precipitation Leaching Procedure (SPLP) and/or Toxicity Characteristic Leaching Potential (TCLP) methods.
- n The excavation will be backfilled with excavated onsite material.
- n Terracon will complete a UST Closure Report in industry standard format including documentation of field activities, sample results, maps, photographs, etc.

2.2 Schedule

We anticipate performing fieldwork within 5 working days after receiving written notice to proceed (pending OSFM and subcontractor availability). We estimate that our written report can be prepared and mailed from this office within approximately 5 working days following the receipt of analytical testing results. Analytical turnaround time is based on 7 business days from the laboratory receipt of samples. Expedited laboratory service is available at an additional cost.

If the analytical results indicate a release has occurred, additional reporting will be required. A subsequent proposal will be submitted for additional reporting, if required.

3.0 COMPENSATION

The Scope of Services outlined in this proposal will be performed as a lump sum fee of \$11,700. If, as a result of these services, additional work is required outside the scope of this proposal, you will be contacted, and upon request, proposed fees for additional work will be provided. Your authorization will be obtained prior to commencement of any additional work outside the scope of this proposal.

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Additional sampling services not covered in this proposal will be handled on a unit pricing basis. Terracon will contact the City to advise and receive prior approval for additional sampling services. If additional liquids/sludges are to be removed and disposed that exceed 1,100 gallons, removal and disposal costs would be \$0.75/gallon (non-hazardous disposal).

The project fee summary is based on the scope of services outlined in this proposal. This proposal and fee estimate were prepared based on the following assumptions:

- n The City will provide to Terracon, prior to mobilization, legal right of entry to the site (and other areas if required) to conduct the scope of services.
- n The City will notify Terracon, prior to mobilization, of any restrictions, special site access requirements, or known potentially hazardous conditions at the site (e.g., hazardous materials or processes, specialized protective equipment requirements, unsound structural conditions, etc.).
- n Terracon will be responsible for contacting JULIE to have public utilities marked. Utilities on private land that are not located by public companies will be located by client. If it is determined that a private utility locater is necessary, Terracon can obtain the services of a subcontractor. The City will be informed of the fee prior to engagement of the private utility locater.
- n Work can be performed during normal business hours (Monday through Friday, 8:00 am to 5:00 pm).
- n Traffic control services are not required.
- n The site is readily accessible by 2-wheel drive pickup trucks and excavating equipment.
- n City of Rock Island permits are not required.
- n Our proposal does not include services to determine eligibility or seek reimbursement from Illinois' LUST insurance fund, if a release is encountered.

If any of these assumptions or conditions are not accurate or change during the project, the stated fee is subject to change. Please contact us immediately if you are aware of any inaccuracies in these assumptions and conditions, so we may revise the proposal or fee. In addition, additional site reconnaissance and file review may indicate that additions to the scope of work will be necessary. Additions to the scope of work as presented in this proposal will be handled under a separate change order.

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4.0 AUTHORIZATION

This proposal may be accepted by executing the attached Agreement for Services and returning one copy to Terracon. Services will be initiated upon receipt of the signed Agreement. The terms, conditions, and limitations stated in the Agreement, and sections of this proposal incorporated therein, shall constitute the exclusive terms and conditions and services to be performed for this project. This proposal is valid only if authorized within 90 days from the proposal date.

We appreciate the opportunity to provide this proposal and look forward to working with you on this project. If you have questions or comments regarding this proposal, please contact me at (563) 468-4303 or via email at scott.killip@terracon.com.

Sincerely,

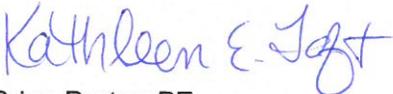
Terracon Consultants, Inc.



Krista A. Brodersen
Senior Project Manager



Scott E. Killip, GWP
Environmental Department Manager
(Bettendorf)

ba: 
Kathleen E. Joffe
Brian Porter, PE
Office Manager (St. Louis)

Attachment – Agreement for Services

AGREEMENT FOR SERVICES

This **AGREEMENT** is between City of Rock Island IL ("Client") and Terracon Consultants, Inc. ("Consultant") for Services to be provided by Consultant for Client on the Plaza Texaco Station project ("Project"), as described in the Project Information section of Consultant's Proposal dated 05/23/2016 ("Proposal") unless the Project is otherwise described in Exhibit A to this Agreement (which section or Exhibit is incorporated into this Agreement).

- 1. Scope of Services.** The scope of Consultant's services is described in the Scope of Services section of the Proposal ("Services"), unless Services are otherwise described in Exhibit B to this Agreement (which section or exhibit is incorporated into this Agreement). Portions of the Services may be subcontracted. Consultant's Services do not include the investigation or detection of, nor do recommendations in Consultant's reports address the presence or prevention of biological pollutants (e.g., mold, fungi, bacteria, viruses, or their byproducts) or occupant safety issues, such as vulnerability to natural disasters, terrorism, or violence. If Services include purchase of software, Client will execute a separate software license agreement. Consultant's findings, opinions, and recommendations are based solely upon data and information obtained by and furnished to Consultant at the time of the Services.
- 2. Acceptance/ Termination.** Client agrees that execution of this Agreement is a material element of the consideration Consultant requires to execute the Services, and if Services are initiated by Consultant prior to execution of this Agreement as an accommodation for Client at Client's request, both parties shall consider that commencement of Services constitutes formal acceptance of all terms and conditions of this Agreement. Additional terms and conditions may be added or changed only by written amendment to this Agreement signed by both parties. In the event Client uses a purchase order or other form to administer this Agreement, the use of such form shall be for convenience purposes only and any additional or conflicting terms it contains are stricken. This Agreement shall not be assigned by either party without prior written consent of the other party. Either party may terminate this Agreement or the Services upon written notice to the other. In such case, Consultant shall be paid costs incurred and fees earned to the date of termination plus reasonable costs of closing the project.
- 3. Change Orders.** Client may request changes to the scope of Services by altering or adding to the Services to be performed. If Client so requests, Consultant will return to Client a statement (or supplemental proposal) of the change setting forth an adjustment to the Services and fees for the requested changes. Following Client's review, Client shall provide written acceptance. If Client does not follow these procedures, but instead directs, authorizes, or permits Consultant to perform changed or additional work, the Services are changed accordingly and Consultant will be paid for this work according to the fees stated or its current fee schedule. If project conditions change materially from those observed at the site or described to Consultant at the time of proposal, Consultant is entitled to a change order equitably adjusting its Services and fee.
- 4. Compensation and Terms of Payment.** Client shall pay compensation for the Services performed at the fees stated in the Compensation section of the Proposal unless fees are otherwise stated in Exhibit C to this Agreement (which section or Exhibit is incorporated into this Agreement). If not stated in either, fees will be according to Consultant's current fee schedule. Fee schedules are valid for the calendar year in which they are issued. Fees do not include sales tax. Client will pay applicable sales tax as required by law. Consultant may invoice Client at least monthly and payment is due upon receipt of invoice. Client shall notify Consultant in writing, at the address below, within 15 days of the date of the invoice if Client objects to any portion of the charges on the invoice, and shall promptly pay the undisputed portion. Client shall pay a finance fee of 1.5% per month, but not exceeding the maximum rate allowed by law, for all unpaid amounts 30 days or older. Client agrees to pay all collection-related costs that Consultant incurs, including attorney fees. Consultant may suspend Services for lack of timely payment. It is the responsibility of Client to determine whether federal, state, or local prevailing wage requirements apply and to notify Consultant if prevailing wages apply. If it is later determined that prevailing wages apply, and Consultant was not previously notified by Client, Client agrees to pay the prevailing wage from that point forward, as well as a retroactive payment adjustment to bring previously paid amounts in line with prevailing wages. Client also agrees to defend, indemnify, and hold harmless Consultant from any alleged violations made by any governmental agency regulating prevailing wage activity for failing to pay prevailing wages, including the payment of any fines or penalties.
- 5. Third Party Reliance.** This Agreement and the Services provided are for Consultant and Client's sole benefit and exclusive use with no third party beneficiaries intended. Reliance upon the Services and any work product is limited to Client, and is not intended for third parties. For a limited time period not to exceed three months from the date of the report, Consultant will issue additional reports to others agreed upon with Client, however Client understands that such reliance will not be granted until those parties sign and return Consultant's reliance agreement and Consultant receives the agreed-upon reliance fee.
- 6. LIMITATION OF LIABILITY. CLIENT AND CONSULTANT HAVE EVALUATED THE RISKS AND REWARDS ASSOCIATED WITH THIS PROJECT, INCLUDING CONSULTANT'S FEE RELATIVE TO THE RISKS ASSUMED, AND AGREE TO ALLOCATE CERTAIN OF THE ASSOCIATED RISKS. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF CONSULTANT (AND ITS RELATED CORPORATIONS AND EMPLOYEES) TO CLIENT AND THIRD PARTIES GRANTED RELIANCE IS LIMITED TO THE GREATER OF \$50,000 OR CONSULTANT'S FEE, FOR ANY AND ALL INJURIES, DAMAGES, CLAIMS, LOSSES, OR EXPENSES (INCLUDING ATTORNEY AND EXPERT FEES) ARISING OUT OF CONSULTANT'S SERVICES OR THIS AGREEMENT. PRIOR TO ACCEPTANCE OF THIS AGREEMENT AND UPON WRITTEN REQUEST FROM CLIENT, CONSULTANT MAY NEGOTIATE A HIGHER LIMITATION FOR ADDITIONAL CONSIDERATION. THIS LIMITATION SHALL APPLY REGARDLESS OF AVAILABLE PROFESSIONAL LIABILITY INSURANCE COVERAGE, CAUSE(S) OR THE THEORY OF LIABILITY, INCLUDING NEGLIGENCE, INDEMNITY, OR OTHER RECOVERY. THIS LIMITATION SHALL NOT APPLY TO THE EXTENT THE DAMAGE IS PAID UNDER CONSULTANT'S COMMERCIAL GENERAL LIABILITY POLICY.**
- 7. Indemnity/Statute of Limitations.** Consultant and Client shall indemnify and hold harmless the other and their respective employees from and against legal liability for claims, losses, damages, and expenses to the extent such claims, losses, damages, or expenses are legally determined to be caused by their negligent acts, errors, or omissions. In the event such claims, losses, damages, or expenses are legally determined to be caused by the joint or concurrent negligence of Consultant and Client, they shall be borne by each party in proportion to its own negligence under comparative fault principles. Neither party shall have a duty to defend the other party, and no duty to defend is hereby created by this indemnity provision and such duty is explicitly waived under this Agreement. Causes of action arising out of Consultant's services or this Agreement regardless of cause(s) or the theory of liability, including negligence, indemnity or other recovery shall be deemed to have accrued and the applicable statute of limitations shall commence to run not later than the date of Consultant's substantial completion of services on the project.
- 8. Warranty.** Consultant will perform the Services in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions in the same locale. **EXCEPT FOR THE STANDARD OF CARE PREVIOUSLY STATED, CONSULTANT MAKES NO WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO CONSULTANT'S SERVICES AND CONSULTANT DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED BY LAW, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**
- 9. Insurance.** Consultant represents that it now carries, and will continue to carry: (i) workers' compensation insurance in accordance with the laws of the states having jurisdiction over Consultant's employees who are engaged in the Services, and employer's liability insurance (\$1,000,000); (ii) commercial general liability insurance (\$1,000,000 occ / \$2,000,000 agg); (iii) automobile liability insurance (\$1,000,000 B.I. and P.D. combined single

limit); and (iv) professional liability insurance (\$1,000,000 claim / agg). Certificates of insurance will be provided upon request. Client and Consultant shall waive subrogation against the other party on all general liability and property coverage.

- 10. CONSEQUENTIAL DAMAGES. NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR LOSS OF PROFITS OR REVENUE; LOSS OF USE OR OPPORTUNITY; LOSS OF GOOD WILL; COST OF SUBSTITUTE FACILITIES, GOODS, OR SERVICES; COST OF CAPITAL; OR FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT, PUNITIVE, OR EXEMPLARY DAMAGES.**
- 11. Dispute Resolution.** Client shall not be entitled to assert a Claim against Consultant based on any theory of professional negligence unless and until Client has obtained the written opinion from a registered, independent, and reputable engineer, architect, or geologist that Consultant has violated the standard of care applicable to Consultant's performance of the Services. Client shall provide this opinion to Consultant and the parties shall endeavor to resolve the dispute within 30 days, after which Client may pursue its remedies at law. This Agreement shall be governed by and construed according to Kansas law.
- 12. Subsurface Explorations.** Subsurface conditions throughout the site may vary from those depicted on logs of discrete borings, test pits, or other exploratory services. Client understands Consultant's layout of boring and test locations is approximate and that Consultant may deviate a reasonable distance from those locations. Consultant will take reasonable precautions to reduce damage to the site when performing Services; however, Client accepts that invasive services such as drilling or sampling may damage or alter the site. Site restoration is not provided unless specifically included in the Services.
- 13. Testing and Observations.** Client understands that testing and observation are discrete sampling procedures, and that such procedures indicate conditions only at the depths, locations, and times the procedures were performed. Consultant will provide test results and opinions based on tests and field observations only for the work tested. Client understands that testing and observation are not continuous or exhaustive, and are conducted to reduce - not eliminate - project risk. Client agrees to the level or amount of testing performed and the associated risk. Client is responsible (even if delegated to contractor) for requesting services, and notifying and scheduling Consultant so Consultant can perform these Services. Consultant is not responsible for damages caused by services not performed due to a failure to request or schedule Consultant's services. Consultant shall not be responsible for the quality and completeness of Client's contractor's work or their adherence to the project documents, and Consultant's performance of testing and observation services shall not relieve Client's contractor in any way from its responsibility for defects discovered in its work, or create a warranty or guarantee. Consultant will not supervise or direct the work performed by Client's contractor or its subcontractors and is not responsible for their means and methods.
- 14. Sample Disposition, Affected Materials, and Indemnity.** Samples are consumed in testing or disposed of upon completion of tests (unless stated otherwise in the Services). Client shall furnish or cause to be furnished to Consultant all documents and information known or available to Client that relate to the identity, location, quantity, nature, or characteristic of any hazardous waste, toxic, radioactive, or contaminated materials ("Affected Materials") at or near the site, and shall immediately transmit new, updated, or revised information as it becomes available. Client agrees that Consultant is not responsible for the disposition of Affected Material unless specifically provided in the Services, and that Client is responsible for directing such disposition. In the event that test samples obtained during the performance of Services (i) contain substances hazardous to health, safety, or the environment, or (ii) equipment used during the Services cannot reasonably be decontaminated, Client shall sign documentation (if necessary) required to ensure the equipment and/or samples are transported and disposed of properly, and agrees to pay Consultant the fair market value of this equipment and reasonable disposal costs. In no event shall Consultant be required to sign a hazardous waste manifest or take title to any Affected Materials. Client shall have the obligation to make all spill or release notifications to appropriate governmental agencies. The Client agrees that Consultant neither created nor contributed to the creation or existence of any Affected Materials conditions at the site. Accordingly, Client waives any claim against Consultant and agrees to indemnify and save Consultant, its agents, employees, and related companies harmless from any claim, liability or defense cost, including attorney and expert fees, for injury or loss sustained by any party from such exposures allegedly arising out of Consultant's non-negligent performance of services hereunder, or for any claims against Consultant as a generator, disposer, or arranger of Affected Materials under federal, state, or local law or ordinance.
- 15. Ownership of Documents.** Work product, such as reports, logs, data, notes, or calculations, prepared by Consultant shall remain Consultant's property. Proprietary concepts, systems, and ideas developed during performance of the Services shall remain the sole property of Consultant. Files shall be maintained in general accordance with Consultant's document retention policies and practices.
- 16. Utilities.** Client shall provide the location and/or arrange for the marking of private utilities and subterranean structures. Consultant shall take reasonable precautions to avoid damage or injury to subterranean structures or utilities. Consultant shall not be responsible for damage to subterranean structures or utilities that are not called to Consultant's attention, are not correctly marked, including by a utility locate service, or are incorrectly shown on the plans furnished to Consultant.
- 17. Site Access and Safety.** Client shall secure all necessary site related approvals, permits, licenses, and consents necessary to commence and complete the Services and will execute any necessary site access agreement. Consultant will be responsible for supervision and site safety measures for its own employees, but shall not be responsible for the supervision or health and safety precautions for any other parties, including Client, Client's contractors, subcontractors, or other parties present at the site.

Consultant: **Terracon Consultants, Inc.**
By: Kathleen Logan Date: **5/23/2016**
Name/Title: **Kathleen M Logan / Office Manager I**
Address: **870 40th Ave**
Bettendorf, IA 52722-1607
Phone: **(563) 355-0702** Fax: **(563) 355-4789**
Email: **kmlogan@terracon.com**

Client: **City of Rock Island IL**
By: _____ Date: _____
Name/Title: **Jeff Eder / Economic Development Director**
Address: **1528 Third Ave**
Rock Island, IL 61201
Phone: **(309) 732-2920** Fax: _____
Email: **eder.jeff@rigov.org**

Reference Number: P07167056