

Agenda Report

September 24, 2001

TO: City Council
THROUGH: Municipal Services Committee
FROM: City Manager
SUBJECT: Authorize the General Manager of Pasadena Water and Power to Amend the Term of Contract Number 14,061 with the California Institute of Technology for the Treatment of Contaminated Groundwater in the Arroyo Seco

RECOMMENDATION

It is recommended that the City Council authorize the General Manager of Pasadena Water and Power (PWP) to amend the term of Contract Number 14,061 with California Institute of Technology (Caltech) for reimbursement of costs associated with the removal of Volatile Organic Compounds from contaminated groundwater in City wells in the Arroyo Seco. The term of the contract is for three years with two optional, one-year extension periods.

BACKGROUND

The City has four water wells (Monk Hill Wells) near Jet Propulsion Laboratory (JPL). The water from the Monk Hill Wells is contaminated with several Volatile Organic Compounds (VOCs) at concentrations exceeding the maximum permissible levels under California state drinking water regulations.

On February 1, 1990, the City and Caltech entered into Contract Number 14,061, whereby it was agreed that Caltech would investigate the contamination problem and in the meantime, pay for the construction, operation, and maintenance of a VOC treatment facility to restore pumping operations in the Monk Hill Basin.

On February 28, 1990, the City contracted with Calgon Carbon Corporation, under Contract Number 14,059, for the construction, leasing, and maintenance of a treatment facility to remove VOCs, the cost of which would be paid for by Caltech, under Contract Number 14,061.

Today, the VOC treatment facility continues to operate. Contract 14,059 has been extended numerous times since 1990. The last extension was approved by the City

MEETING OF 9/24/2001

AGENDA ITEM NO. 5.B.2.

Council on May 21, 2001 for an additional four years with two optional four-year terms.

In 1993, the City and Caltech reevaluated the extent of the contamination in the Arroyo Seco. Because Caltech became involved in the Superfund cleanup process, the City and Caltech agreed to extend Contract Number 14,061 for an additional four years. The City Council has authorized extensions of the contract on three other occasions. The current term of Contract Number 14,061 will expire on September 30, 2001. Staff and Caltech desire to amend the contract to extend the term for three years with two additional, optional one-year extension periods.

National Aeronautics and Space Administration wants to maintain the operation of the existing VOC treatment facility because the treatment process has proven to be highly effective. PWP staff believes the existing VOC treatment plant is the best available option for removing VOCs. It is also a method approved by the State of California Department of Health Services resulting in water quality that meets both federal and state standards.

FISCAL IMPACT

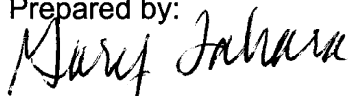
The estimated cost to lease, operate, and maintain the existing VOC treatment plant is approximately \$365,000 per year. This contract with Caltech will allow PWP to recover these expenses.

Respectfully submitted,



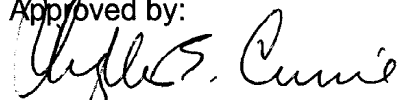
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