



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Names: Public Works
Department No.: 054
For Agenda Of: October 12, 2021
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department
Director(s) Scott D. McGolpin, Public Works Director, (805) 568-3010

Contact

Info: Maureen Spencer, Interim Deputy Public Works Director, (805) 568-3437

SUBJECT: Toro Canyon Construction & Creek Cleanup Authorization to Award Contract –
American Integrated Services, Inc., First Supervisorial District

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve the plans and specifications for the Toro Canyon Creek Oil Cleanup;
- b) Award the attached contract with American Integrated Services, Inc. for the Toro Canyon Construction & Creek Cleanup;
- c) Approve, ratify, and authorize the Chair to execute the attached contract, which converts a Purchase Contract to a Board Contract, extending the term and increasing funding by \$231,214 (\$210,195 plus 10% contingency) for a total not to exceed of \$428,567 inclusive of \$197,353 under Purchase Order DP-08076, but which otherwise cancels, nullifies and supersedes DP-08076; and
- d) Find that pursuant to the California Environmental Quality Act (CEQA) Guidelines sections 15304, 15308 and 15269 this is exempt as an emergency project that repairs a facility damaged as a result of a disaster and restores, enhances, and protects the environment, and direct the Clerk of the Board to file the CEQA Notice of Exemption.

Auditor-Controller Concurrence

As to form: Yes

Executive Office Concurrence

As to concurrence: Yes

Summary Text:

This item is on the agenda in order to award the contract with American Integrated Services, Inc (AIS) for construction and oil cleanup within a tributary to Toro Creek. Initial work was carried out under Purchase Order (DP-08076). The amount and scope of that work was increased due to exigent circumstances in coordination with the California Department of Fish and Wildlife Office of Spill Prevention and Response (OSPR) who oversees the cleanup operations. The cleanup of the creek was completed and approved by OSPR on August 27, 2021.

Background:

In 1882 Occidental Mining and Petroleum Corporation began construction on a horizontal tunnel at the site of a well-known oil seep in Toro Canyon. Such wells were commonly used to enhance oil flow. During construction, a large volume of water was inadvertently tapped. Further development of the oil resource was abandoned for the important water supply that was needed for the growing community of Summerland.

As Summerland switched to other water supplies, the onsite separator fell into disrepair and numerous spills occurred into the creek. Significant spills in the 1990s resulted in oil flow to the ocean. Initially the California Department of Fish and Wildlife (CDFW) then Fish and Game responded. By 1997 a Unified Command was established with the U.S. Environmental Protection Agency (EPA) and CDFW serving jointly as Incident Commanders.

The Toro Canyon Oil Water Separator was installed under the direction of the EPA in 1998 and operated by EPA until December of 2008. The system includes: 1) oil / water separator, 2) pipeline, and 3) underground storage tank. A significant amount of money and effort was spent during this period. For example, EPA Pollution Reports note that at one point over \$300,000 was spent by state CDFW, \$400,000 from U.S. Coast Guard, and \$850,000 from EPA.

Before installing the Toro Canyon Oil Water Separator, the EPA considered various options, including capping the well in place. Engineering geologists advised against sealing the well. The tunnel itself had collapsed many years before and any attempt to access and reopen the tunnel was considered too dangerous. The surrounding area contains numerous naturally-occurring oil seeps. Portions of soil are stained and thick with oil; oil continuously seeps into the creek channel at various locations downstream of the oil / water separator. If the artesian well were to be plugged, the pressurized oil/water mixture would likely find another way out at a different and unpredictable location.

After ten years of operating the facility, the EPA requested that the state or a local agency take over operations. Initially, the County was unwilling to become involved. However, in early 2009 the County was awarded Cleanup & Abatement funds from the State Water Resources Control Board; funds were exhausted by 2019 with no intention of further support, per the State Water Resources Control Board. The County sought alternative funding through various grants and programs but was unsuccessful in finding another outside funding source for maintenance. Currently, ongoing maintenance is funded by Project Clean Water through the General Fund.

The Thomas Fire (December 2017) damaged an approximately 120-ft long section of above-ground pipeline. The pipeline was partially melted from the intense heat but continued to convey oil to the tank after the fire. In August 2020, oil was observed on the ground surface from a leak within this above-

ground section. The California Office of Emergency Services was notified upon discovery and the Office of Spill Prevention and Response (OSPR) established temporary control measures to control and reduce oil discharge.

Emergency funding was approved in May 2021 by State Water Resources Control Board through the Cleanup & Abatement Account that included \$94,674 for (1) creek protection measures, (2) pipeline replacement, and (3) soil remediation. (An additional \$45,000 was also approved for a planning study to update the current oil separator system to meet state codes; this planning work is being conducted separately).

AIS replaced the damaged pipe section, remediated oily soil, and undertook a portion of creek cleaning per Purchase Order DP-08076 and subsequent change orders. Creek cleanup efforts began immediately upon controlling the pipeline leak and were completed and approved by OSPR on August 27, 2021, with ongoing monitoring through November 2021.

Item	Date	Scope	Amount
Purchase Order (DP-08076)	6/18/2021	Replace inner pipeline and remediate oily soil (\$73,059)	\$80,365 (\$7,306 contingency)
First Change Order	7/23/2021	Temporary containment (\$4,975)	\$ 4,975
Second Change Order	8/5/2021	Initial creek cleanup (\$58,919)	\$58,919
Third Change Order	8/6/2021	Replace outer metal pipe (\$60,399)	\$53,094 (less \$7,306 contingency)
<i>Subtotal under DP-08076</i>			<i>\$197,353</i>

Fourth Change Order	8/20/2021	Additional creek cleanup (\$210,195)	\$231,214 (\$21,019 contingency)
<i>Total under this board contract</i>			<i>\$428,567</i>

The fourth change order in the amount of \$231,214 for additional creek cleanup exceeds the contract limits of the Purchase Order and requires board approval to convert a Purchase Contract to a Board Contract for a total approved AIS contract in the amount of \$428,567.

A Budget Revision to Project Clean Water was approved by the Board of Supervisors on 8/17/2021 in the amount of \$440,000 through a transfer from Project Clean Water reserves (Committed Funds) to Services and Supplies in order to cover these costs.

Fiscal and Facilities Impacts:

Budgeted: Yes

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund			
State	\$94,674		
Federal			
Fees			
PCW Committed Fund			
Balance	\$ 333,893		
Total	\$ 428,567	\$ -	\$ -

Narrative:

Emergency funding of \$94,674 was approved by the State Water Resources Control Board and accepted by the County Board of Supervisors through Resolution 21-74 on May 4, 2021 (File Reference 21-00375). These funds will offset a portion of the AIS expenditures.

Because of the urgent nature to stop the leak and cleanup the creek, work commenced immediately upon execution of DP-08076 and continued until final sign-off by OSPR on August 27, 2021. In anticipation of this effort, a Budget Revision to Project Clean Water was approved by the Board of Supervisors on 8/17/2021 in the amount of \$440,000 through a transfer from Project Clean Water reserves (Committed Funds) to Services and Supplies. Of this amount, \$333,893 is applied to the AIS Contract. The remainder will be used for reimbursement to OSPR for state response and other efforts.

Special Instructions:

Direct the Clerk of the Board to send one original of the Agreement with AIS and the minute order of these actions to Christina Lopez at the Public Works Water Resources Division office.

Attachments:

- Attachment A: Toro Canyon Construction & Creek Cleanup Contract includes Exhibit 1 (2 originals)
- Attachment B: CEQA Notice of Exemption

Authored by:

Cathleen Garnand, Project Clean Water Manager (805) 568-3561