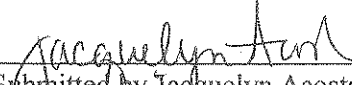


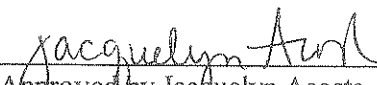


# City of Carson Report to Mayor and City Council

October 15, 2013  
Unfinished Business

**SUBJECT: CONSIDER STATUS REPORT ON THE REGIONAL WATER QUALITY CONTROL BOARD ENVIRONMENTAL INVESTIGATION AND CARSON DECLARATION OF THE EXISTENCE OF AN EMERGENCY WITHIN THE CAROUSEL TRACT**

  
Submitted by Jacquelyn Acosta  
Acting City Manager

  
Approved by Jacquelyn Acosta  
Acting City Manager

## I. SUMMARY

This item is on the agenda at the request of Mayor Pro Tem Santarina to provide updates at all regularly scheduled City Council meetings related to the environmental investigation of the Carousel Tract (Kast Property). An attorney from Girardi & Keese will be present at the meeting to provide a status report on the Carousel litigation.

## II. RECOMMENDATION

TAKE the following actions:

1. HEAR the status report on the Carousel litigation.
2. RECEIVE and FILE.

## III. ALTERNATIVES

TAKE another action as the City Council deems appropriate consistent with the requirements of law.

## IV. BACKGROUND

On March 11, 2011, the Los Angeles Regional Water Quality Control Board (Regional Board) issued Cleanup and Abatement Order (CAO) No. R4-2011-0046 directing Shell Oil Company (Shell) to investigate the Carousel Tract (former Kast Tank Farm Property) and provide remedial action to cleanup and abate the waste in the soil, soil vapor and groundwater associated with contamination from the former tank farm. In accordance with the CAO, Shell submitted a Site-Specific Cleanup Goal Report dated February 22, 2013.

On July 31, 2013, a meeting was held with representatives from the Los Angeles County Fire Department and the Los Angeles County Department of Public Health to discuss the emergency conditions in the Carousel Tract and to allow Mr. Bob Bowcock, Dr. Lorne Everett, and James T. Wells, PhD (City's Environmental Consultants) to share technical information related to the environmental conditions. Copies of the reports that were submitted on behalf of the City of

October 15, 2013

Carson and Girardi & Keese to the Regional Board commenting on the Site-Specific Cleanup Goal Report were provided to the agency representatives. A follow up meeting is scheduled for October 10, 2013, to discuss the status of City Council Resolution No. 13-081 declaring an emergency in the Carousel Tract and seeking assistance from responsible agencies. Participants will include representatives from the Regional Board, Office of Environmental Health Hazard Assessment, Los Angeles County Fire Department, Los Angeles County Department of Public Health, City Attorney's Office and the City's Environmental Consultants. Staff will report on this meeting during the City Council meeting of October 15, 2013.

On September 24, 2013, staff attended a community scoping meeting and discussed the California Environmental Quality Act (CEQA) process with Regional Board staff. The Regional Board requires Shell to propose and submit a Remedial Action Plan by the end of 2013 for the cleanup of the Carousel Tract. The approval of the Remedial Action Plan is subject to the CEQA process. For purposes of CEQA, the Regional Board will be evaluating the environmental impacts associated with the implementation of the Remedial Action Plan, in particular, the impacts associated with the possible methods to be used and the extent of the cleanup. Written comments related to the CEQA scoping will be accepted by the Regional Board from September 9 through October 8, 2013. The comment letter submitted on behalf of the City of Carson is attached as Exhibit No. 1. The comment letter submitted by Integrated Resource Management, Inc. and Mrs. Barbara Post, President of the Carousel Tract HOA, is attached as Exhibit No. 2.

During the City Council meeting of October 1, 2013, Mayor Dear questioned the real estate values of the Carousel Tract homes. Sales information related to 2012 and 2013 was distributed and discussed (Exhibit No. 3). The sales indicate that values are increasing with an average sales price of \$343,437.00 for 2013. Staff noted that the Regional Board had established an Expert Panel to assist in evaluating various reports and the proposed remedial action. Staff noted that J.R. DeShazo, Ph.D., Professor of Public Policy and Urban Planning, University of California at Los Angeles, was evaluating sales data to determine potential impacts to value resulting from the contamination at the Carousel Tract. J.R. DeShazo is the Director of the Luskin Center for Innovation at the University of California at Los Angeles and an expert in economics, public finance, and organizational governance. Staff spoke with Professor DeShazo and confirmed that information was obtained from the South Bay Association of Realtors to allow for a multi-year evaluation and comparison with the neighborhoods located immediately to the north and east of the Carousel Tract. The report is still in draft form and will become available to the City Council upon presentation to the Regional Board.

*Environmental Testing*

Shell Oil Company continues to conduct environmental testing within the Carousel Tract. The environmental firm of URS is conducting the testing with a priority on indoor air sampling within the homes. To date, 244 homes have received indoor air sampling, with 179 of these homes participating in a second round of indoor air sampling. These tests are conducted over a 24-hour period and require items that have volatile chemicals to be placed in plastic bins that are stored in the garage or a storage pod placed in the street (with an encroachment permit from the City). Residents are provided with a temporary housing allowance during the time necessary to set up and conduct the test.

There are 285 homes in the Carousel Tract. For those 240 homes that are represented by legal counsel, URS coordinates with Girardi & Keese to schedule the testing. The remaining 45 homes are scheduled directly by URS. As of October 4, 2013, the completed Residential Sampling Activity is as follows:

- 268 homes have been screened for Methane (94%).  
(29 of 268 total are non-represented).
- 267 homes have had soils sampled and vapor probes installed (94%).  
(29 of 267 total are non-represented)
- 267 homes have had vapor probes sampled (94%).  
(29 of 267 total are non-represented).
- 244 homes have had indoor air sampled (86%).  
(13 of 244 total are non-represented).
- 179 of 244 total have had second round of indoor air testing conducted (63%).

*Carousel Tract Litigation*

Girardi & Keese continues to advance litigation against Shell Oil Company and other parties on behalf of the City of Carson and the vast majority of Carousel Tract residents. Chris Aumais of Girardi & Keese and Robert Bowcock of Integrated Resource Management, Inc. will attend the City Council meeting to report out on current status.

V. FISCAL IMPACT

None.

VI. EXHIBITS

1. Letter from City of Carson to LARWQCB dated October 8, 2013. (pgs. 5-6)
2. Letter from Integrated Resource Management, Inc. to LARWQCB dated October 7, 2013. (pgs. 7-8)
3. Recent Sales Activity in the Carousel Tract dated October 1, 2013. (pg. 9)
4. Carousel Tract Environmental Investigation Timeline. (pgs. 10-11)

Prepared by: Sheri Repp-Loadsman, Planning Officer

TO: Rev06-19-2013

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works
Community Development	Community Services

**Action taken by City Council**

Date \_\_\_\_\_ Action \_\_\_\_\_



# CITY OF CARSON

October 8, 2013

Mr. Sam Unger, Executive Officer  
California Regional Water Quality Control Board  
Los Angeles Region  
320 West Fourth Street, Suite 200  
Los Angeles, CA 90013

Subject:: Proposed California Environmental Quality Act (CEQA) Scoping Comments  
CAO R-4-2011-046 Shell Oil Kast Tank Farm Site

Dear Mr. Unger,

In response to the Los Angeles Regional Water Quality Control Board's (Regional Board) request for comments on the scope of the CEQA document, the City of Carson respectfully submits the following comments:

Following the discovery in 2008 of wide-spread contamination in the Carousel Tract, the Regional Board issued a Cleanup and Abatement Order No. R-4-2011-046 directing Shell Oil Company to investigate the Carousel Tract (former Kast Tank Farm Property) and provide remedial action to cleanup and abate the contamination from the former tank farm. The CEQA document will evaluate the types of cleanup and the extent of cleanup and is expected to fully evaluate air quality, traffic and transportation, geology and soils, greenhouse gas emissions, hydrology and water quality, noise, public services and utilities and service systems.

It is not known at this time the extent of potential excavation or other remedial activities. As such, there needs to be careful consideration to the phasing of remedial actions to ensure that basic services are maintained to the Carousel Tract and adjoining Monterey Pines development.

During the implementation of the approved remedial action, the ability to occupy the homes and maintain a semblance of normalcy may be greatly compromised. The potential for residents to move from their homes on a temporary or long term basis needs to be evaluated. Reduction in property values may also contribute to increased vacancy. The potential for a significant number of vacant or abandoned properties may create a blighted condition and increase the demand for law enforcement and fire services.

EXHIBIT NO. 01



California Regional Water Quality Control Board  
Los Angeles Region  
October 8, 2013  
Page 2

The remedial actions may necessitate a significant amount of plan review and inspection service associated with permits issued by the city, including but not limited to the Building and Safety Division, Engineering Division, and Public Works Division. Early coordination is recommended to determine the extent of inspection services that may be required. The CEQA document should evaluate the potential need to augment normal plan review and inspection services.

During pilot tests involving excavation, residents reported strong odors that were offensive to some. With the potential for a large amount of excavation to be conducted over an extended period of time, the CEQA document should provide a detailed analysis of potential odors and identify measures to minimize such impacts within the Carousel Tract and surrounding area.

City staff recommends that the CEQA document include a discussion of the health effects of air pollution (especially on sensitive receptors) due to grading and excavation, operation of equipment, mobile emissions and other activities associated with the remedial action. Such an evaluation should promote effective strategies for reducing exposure.

The City of Carson supports the efforts of the Regional Board to complete the CEQA process in a timely manner. We will extend the assistance of our staff to provide information and to answer questions as they may arise. If there are any questions, I may be reached at (310) 952-1773.

Sincerely,



Sheri Repp Loadsman  
Planning Officer

cc: Mayor and City Council  
Acting City Manager  
Girardi & Keese  
Integrated Resource Management, Inc.





# Integrated Resource Management, Inc.

October 7, 2013

Sam Unger, Executive Officer  
California Regional Water Quality Control Board  
Los Angeles Region  
320 West Fourth Street; Suite 200  
Los Angeles, California 90013

RE: CAO R4-2011-046 Shell Oil Company Kast Tank Farm Site  
Proposed California Environmental Quality Act (CEQA) Scoping Comments

Dear Mr. Unger,

The Los Angeles Regional Water Quality Control Board (LARWQCB) conducted a CEQA Public Scoping Session on August 24, 2013. The Public Scoping Session purported to be for LARWQCB CEQA compliance with an undefined Proposed Project concerning "Cleanup Activities for the Shell Oil Company Kast Tank Farm Site", Carson, California.

According to CEQA the correct and complete definition of all reasonably foreseeable elements of a Proposed Project is the single most important element of the CEQA compliance process. The residents of the Carousel Tract, Monterey Pines and the Island Avenue communities, for whom we are collectively providing comments, has not been provided with any documentation or indication what the Proposed Project is, or might be; to comment would be premature.

The way a Project is defined directly affects how the proposed action is analyzed for environmental compliance with CEQA, particularly in relation to such issues as primary and secondary effects and alternatives. The polluter, Shell Oil Company, has not yet provided the LARWQCB, the City of Carson or its impacted residents with Site Specific Cleanup Goals; they are not due until October 21, 2013. Inasmuch as Shell Oil Company's prior submittals to the LARWQCB have been woefully inadequate, without said Goals, how do we identify with a Proposed Project? Without a Project or a Proposed Project what are we to comment on?

Statutory exemptions, found in CEQA Guidelines Sections 15260 to 15285, are provisions in CEQA or other statutes that indicate that by law certain projects are either *completely or partially exempt* from CEQA's environmental review requirements, or have special requirements.

1. Feasibility and planning studies that are not legally binding and which have not been approved, adopted or funded (CEQA Statutes Section 21102, CEQA Guidelines Section 15262).
2. Ministerial projects including issuance of building permits and approval of individual utility service connections and disconnections (CEQA Guidelines Section 15268). Projects that have both ministerial and discretionary aspects should be considered discretionary overall and subject to CEQA.
3. Emergency projects such as actions required to restore damaged facilities or mitigate an emergency (CEQA Guidelines Section 15269).
4. Special rules also apply to projects in areas subject to redevelopment plans or military base reuse plans. (CEQA Statutes Section 21083.8.1 and 21090).

We collectively believe the imposition and use of CEQA by the LARWQCB is a misguided stall tactic.

405 North Indian Hill Boulevard  
Claremont, CA 91711-4600

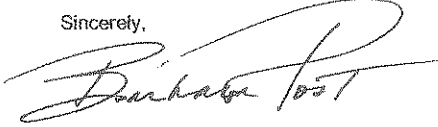
(909) 621-1266  
(909) 621-1196 Fax

The LARWQCB must stay focused, with great precision on the task at hand, enforcement of its Cleanup and Abatement Order. That is it. Shell Oil Company... and the proper oversight agencies with CEQA experience will take it over from there. The LARWQCB is an enforcement agency... it is not a project agency and therefore has no role in this proposed melancholy experiment.

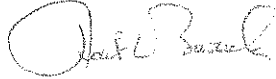
Enforce your Order.

Timely please.

Sincerely,



Mrs. Barbara Post  
President, Carousel Tract HOA



Mr. Robert W. Bowcock  
Integrated Resource Management, Inc.

cc: Tekewold Ayalew – LARWQCB  
Frances McChesney, Esq. – LARWQCB  
Paula Rasmussen - LARWQCB  
Thizar Tintut-Williams – LARWQCB  
Arthur Heath – LARWQCB





RECENT SALES ACTIVITY  
CAROUSEL TRACT

1	Address	Description	Active Listing Price	Most Recent Sale		Prior Sales within past 3 years	
2	24416 Marbella Ave	3 bed, 2 bath 1,348 sq.ft.	\$375,000	08/26/2011	\$325,000		
3	24752 Ravenna Avenue	4 bed, 4 bath 1,792 sq.ft.		09/11/2013	\$459,000		
4	24602 Panama Avenue	4 bed, 2 bath 1,500 sq.ft.		07/11/2013	\$391,000	02/15/2013 01/04/2012	\$277,000 \$243,000
5	24603 Panama Avenue	4 bed, 2 bath 1,532 sq.ft.		06/05/2013	\$370,000	01/15/2013	\$220,000
6	24417 Panama Avenue	3 bed, 2 bath 1,828 sq.ft.		04/18/2013	\$400,000	11/16/2012 10/08/2010	\$250,000 \$322,767
7	24533 Ravenna Avenue	3 bed, 2 bath 1,291 sq.ft.		04/01/2013	\$295,000		
8	24503 Ravenna Avenue	5 bed, 3 bath – 2,907 sq.ft.		03/02/2013	\$335,500	11/05/2012	\$315,000
9	24512 Ravenna Avenue	3 bed, 2 bath 1,291 sq.ft.		10/03/2012	\$255,000		
10	367 E. 244 <sup>th</sup> Street	4 bed, 2 bath 2,000 sq.ft.		09/17/2012	\$370,000	05/08/2012 02/07/2011	\$201,500 \$367,334
11	24619 Panama Avenue	4 bed, 2 bath 1,500sq.ft.		08/24/2012	\$275,000		
12	24612 Marbella Ave	3 bed, 2 bath 1,828 sq.ft.		07/31/2012	\$310,000		
13	24700 Ravenna Avenue	3 bed, 2 bath 1,335 sq.ft.		07/23/2012	\$259,000		
14	24417 Marbella Ave	4 bed, 2 bath 1,616 sq.ft.		07/12/2012	\$315,000		
15	24708 Neptune Avenue	3 bed, 2 bath 1,291 sq.ft.		06/22/2012	\$294,000		
16	24747 Marbella Avenue	5 bed, 3 bath 2,338 sq.ft.		03/30/2012	\$370,000		
17	24513 Panama Avenue	2 bed, 2 bath 1,115 sq.ft.		11/07/2011	\$236,000		
18	24512 Neptune Avenue	3 bed, 2 bath 1,291 sq.ft.		10/19/2011	\$249,000		

2013: Average sales price: \$343,437 (eight sales)

Date: October 1, 2013

2012: Average sales price: \$288,125 (twelve sales)

EXHIBIT NO. 03



## Carousel Tract Environmental Investigation Timeline

Date	Significant Actions/Reports	Notes
March 11, 2008	DTSC informed LARWQCB about former Shell Oil Company Tank Farm	
May 2008	LAWRQCB initiated an environmental investigation	
December 2008	LAWRQCB approved proposed work plan submitted by Shell to investigate contaminants of concern	
December 31, 2008	LARWQCB issued California Water Code § 13267 Investigative Order	
October 15, 2009	Shell submitted Final Phase I Site Characterization Report	
March 2011	LARWQCB issued Cleanup and Abatement Order No. R4-201100046	
February 22, 2013	Shell submitted Site Cleanup Goal Report	
May 2013	LAWRQCB issued a fact sheet providing information and advising of comment period for Site-Specific Cleanup Goal Report	30-day comment period ending June 24, 2013
June 24, 2013	City submitted comments to Site-Specific Cleanup Goal Report	Forwarded reports by Everett & Associates and Soil/Water/Air Protection Enterprise
July 18, 2013	City Council conducted workshop to allow presentation by Mr. Sam Unger, Executive Director of LARWQCB	Presentation by Dr. Lorene Everett and James T. Wells PhD raising concerns related to environmental conditions
July 29, 2013	City Council adopted Resolution No. 13-081 declaring the existence of an emergency in the Carousel Tract	
July 30, 2013	Letters sent to the Governor, Attorney General, Los Angeles County Board of Supervisors and Mr. Unger	Requested immediate assistance due to emergency conditions in Carousel Tract
July 31, 2013	City staff, Mr. Bob Bowcock, Dr. Everett and Mr. Wells met with representatives of Los Angeles County Fire Department and Los Angeles County Department of Public Health	City Council declaration of emergency conditions discussed and copies of Everett & Associates reports transmitted for review

## Carousel Tract Environmental Investigation Timeline

August 21, 2013	LARWQCB sent detailed letter to Shell denying proposed site-specific cleanup goals and requiring revisions to be submitted by October 21, 2013	LARWQCB incorporated OEHHA Memorandum dated July 22, 2013 and UCLA Expert Panel Interim Report dated July 24, 2013
September 11, 2013	City letter to Mr. Sam Unger	Expressing appreciation from City Council and community for response to Site-Specific Cleanup Goal Report.
September 24, 2013	LARWQCB community open house CEQA scoping meeting	Request for input from community and public agencies related to evaluation of environmental impacts. Comment period ends on October 8, 2013
September 30 – October 10, 2013	LARWQCB Public Participation Specialist to conduct office hours at city hall	Opportunity for LARWQCB to meet with residents and community stakeholders
October 8, 2013	CEQA scoping comments due to LARWQCB from September 9 through October 8, 2013	Comment letters sent by City of Carson and Bob Bowcock/Barbara Post
October 10, 2013	City staff arranging for a meeting with LARWQCB, LACoFD, Los Angeles County Department of Public Health, OEHHA, Mr. Bowcock, Dr. Everett and Mr. Wells PhD.	Review of technical reports and discussion of public agencies responses and actions

