



City of Carson Report to Mayor and City Council

November 15, 2011
New Business Consent

SUBJECT: UPDATE ON THE ENVIRONMENTAL INVESTIGATION OF THE CAROUSEL TRACT (FORMER KAST PROPERTY SITE)

Submitted by Clifford W. Graves
Economic Development General Manager

Approved by David C. Biggs
City Manager

I. SUMMARY

This report is an update on the environmental investigation of the Carousel Tract (Exhibit No. 5).

II. RECOMMENDATION

TAKE the following actions:

1. RECEIVE and FILE.
2. DIRECT staff on any other possible city non-litigation responses to the Carousel Tract issues.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

Since staff last provided an update on the Carousel Tract environmental investigation to the City Council on July 20, 2011, the Regional Water Quality Control Board (Regional Board) prepared an Initial Study/Negative Declaration for the implementation of the draft Pilot Test Work Plan (Work Plan) for remedial excavation and in-situ treatment pilot testing at the project site. The environmental document circulated for a 30-day public review period from September 7, 2011 to October 7, 2011. Staff reviewed the environmental document and no comments were submitted. Two comment letters were submitted to the Regional Board by the Native American Heritage Commission and the Department of Toxic Substance Control (DTSC). The Regional Board is in the process of submitting responses and has stated that none of the comments have warranted any change to the environmental document.

Pursuant to the Cleanup and Abatement Order (CAO) No. R4 2011-0046, Shell was required to develop a pilot testing work plan to be approved by the Regional Board's Executive Officer that included:

- 1) Evaluation of the feasibility of removing impacted soils to 10 feet below ground surface and removal of contaminated shallow soils and reservoir concrete slabs encountered within the uppermost 10 feet, including areas beneath residential houses;
- 2) Remedial options that can be carried out where site characterization (including indoor air testing) is completed; and
- 3) Plans for relocation of residents during soil removal activities, plans for management of excavated soil on-site, and plans to minimize odors and noise during soil removal.

Pursuant to the CAO, Shell has submitted the required pilot test work plan to the Regional Board for the Executive Officer's approval. Shell's Pilot Test Work Plan consists of the following three documents:

- 1) *Pilot Test Work Plan, Remedial Excavation and In-Situ Treatment Pilot Testing* dated May 10, 2011, prepared by URS Corporation and Geosyntec Consultants;
- 2) *Addendum to Pilot Test Work Plan, Remedial Excavation and In-Situ Treatment Pilot Testing*, dated August 15, 2011, prepared by URS Corporation and Geosyntec Consultants, and
- 3) *Addendum 2 to Pilot Test Work Plan, Remedial Excavation and In-Situ Treatment Pilot Testing*, dated August 26, 2011, prepared by URS Corporation.

Collectively, these three documents are referred to as the "Work Plan."

The Work Plan evaluates the feasibility of the degree to which impacted shallow soils to a depth of 10 feet below ground surface (bgs) and the concrete reservoir bases (slabs) located at approximately 10 feet bgs beneath portions of the former locations of the soil storage reservoirs can be effectively removed, including beneath residential houses. The Work Plan provides an overview of potential pilot test locations, the remedial approach, a description of excavation methods to be pilot tested, a description of oxidants proposed to be injected and bioventing technology, as well as measures designed to avoid or reduce potentially significant effects on the environment.

These measures include but are not limited to: traffic control; monitoring and mitigation of dust, vapors, odors; noise monitoring during excavation; vibration monitoring of homes during excavation activities; and temporary relocation of residents at affected properties during intrusive portions of pilot testing.

Upon completion of the implementation of the Work Plan, the CAO requires Shell to prepare a full-scale impacted soil Remedial Action Plan (RAP) for the Site. Information gained from implementation of the pilot testing activities will be used to develop and assess different potential remedial strategies, and will be incorporated into the analysis and recommendations that will be contained in the RAP for the site. The selection of a final remedy may be subject to additional environmental analysis and documentation prepared in accordance with CEQA.

The Regional Board anticipates approving the draft Work Plan by December 2011, which will then require Shell to investigate the remediation methods identified and submit findings to the Regional Board for review within 120 days. Subsequently, Shell will begin preparing the RAP in Spring 2012 and the Regional Board will release the document for public comments. Site clean-up resulting from the implementation of the RAP is expected to begin Summer/Fall 2012.

The city is required to provide reasonable access and approve encroachment permits when certain standards and conditions are met.

Letters from Carousel Residents

On August 15, 2011, residents from the Carousel Tract neighborhood sent letters to the State Water Resources Control Board (Exhibit No. 1). The Carson City Council, city of Carson City Manager, and the Los Angeles County Sheriff's Department regarding concerns for the timeline of the ongoing investigation, inconveniences caused by the testing, and issues with public safety. The Regional Board, members of the City Council, City Manager, and Sheriff's Department have issued response letters.

City of Carson Letters to Residents

In response to the form letters sent on August 15, 2011, by the Carousel residents, Mayor Jim Dear, Councilmember Elito Santarina, and the Interim City Manager issued response letters on August 18, 2011, August 30, 2011, and September 6, 2011 (Exhibit No. 2).

Regional Water Quality Control Board

On October 14, 2011, the Regional Board issued letters to the residents in response to the form letters received on August 15, 2011 (Exhibit No. 3). The response letter addressed the Clean-up Recovery Program Agreement and assured that sufficient funds would be available to allow the investigation to proceed without restrictions. In addition, the letter acknowledged that the city would be advised of the concerns related to crime. A separate letter to Mayor

November 15, 2011

Dear was also sent on October 14, 2011 forwarding the concerns related to crime.

Los Angeles County Sheriff's Department

On October 21, 2011, Sheriff Baca provided a response letter to the residents (Exhibit No. 4) requesting that action be taken against parties that contributed to hazardous waste being deposited in the Carousel Tract. The Sheriff advised that the appropriate remedy remained with the RWQCB and that other concerns were a civil matter.

Carousel Tract Litigation

Girardi Keese continues to advance litigation against Shell Oil Company and other parties on behalf of the vast majority of Carousel Tract residents. The next court date is scheduled for January 11, 2012.

The city has requested the Sheriff's Department to provide historical crime statistics for the Carousel Tract in order to validate the assertion that crime has increased in the neighborhood. This information will be included in the next update report.

V. FISCAL IMPACT

None.

VI. EXHIBITS

1. Sample Letter from Carousel Residents. (pgs. 6-7)
2. City of Carson Letters to Residents. (pgs. 8-11)
3. Regional Water Quality Control Board Letters. (pgs. 12-13)
4. Los Angeles County Sheriff's Department Letter. (pgs. 14-15)
5. Site Map. (pg. 16)

Prepared by: Sharon Song, Associate Planner

TO:Rev091911

Reviewed by:

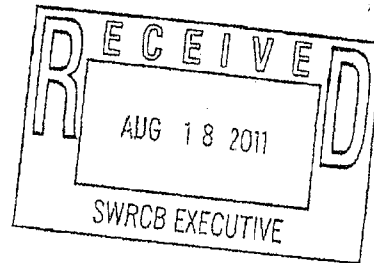
City Clerk	City Treasurer
Administrative Services	Development Services
Economic Development	Public Services

Action taken by City Council

Date _____ Action _____

Barbara Post
24433 Marbella Ave.
Carson, California 90745

(310) 834-9338



August 15, 2011

State Water Resources Control Board
Attn: Chairman, Charles R. Hoppin
P.O. Box 100
Sacramento, CA 95812-0100

Dear Mr. Hoppin,

RE: Carousel Tract Neighborhood – Shell Oil Company Pollution

We are fast approaching three years since the California Regional Water Quality Control Board notified us that Shell Oil Company had significantly polluted our homes and properties. Shell Oil Company and their co-conspirators, Barclay Hollander Corporation, fraudulently concealed petroleum, petroleum waste and other related and hazardous chemicals under our homes before redevelopment of the site. Both Shell Oil and Barclay Hollander knew full well that Shell Oil was responsible for cleanup of the former tank farm property; but they chose to make a purely economic decision and bury the waste rather than cleanup the mess. It was as illegal for Shell to discharge oil and waste and cover it up in 1968 as it is today.

From the time we were first invaded by Shell officials testing the soil, etc. in our neighborhood, our lives have been turned upside-down. Our once peaceful, pretty and friendly neighborhood looks like a war zone. Crime scene-style paint markings are everywhere. Drill rigs, jack hammers, and hazmat suited contractors are in our homes and in our yards... drilling, drilling, and drilling; the noise, noxious odors and unsightly messes are inescapable and are a constant reminder of the threat beneath our homes.

Not only has the Shell Oil Company invasion completely destroyed our quality of life these past three years, but our properties are now worthless and increasing crime has accompanied the despair. Both night time burglaries and broad day light home invasions are significantly on the rise. We do not intend to allow Shell Oil or any of its contractors' access to our private property or neighborhood until a comprehensive response and security plan is negotiated with us as a community. We do not want to cause trouble; but these polluters are guest in our homes, they have harmed us beyond belief and will now be asked to conduct themselves under our terms and conditions.

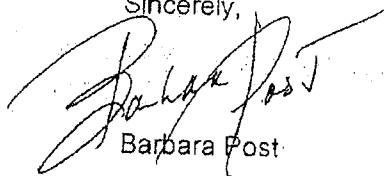
Last week an AT&T construction crew was forced to abandon their utility excavation due to petroleum hydrocarbon vapors overcoming them. Shell Oil has had three years to present a solution to the problem they created, yet they have elected to play the regulatory game and stall, stall, stall. It is no secret, the longer they play the game, the more money they will save by not having to fix the problem and clean up the mess.

While some of us have expressed frustration with the Regional Water Quality Control Boardmembers both publically and privately throughout this ordeal, please understand it comes

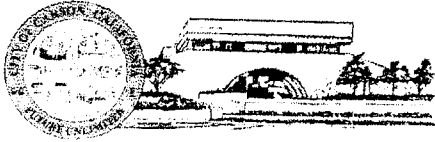


from our fears and frustration that we have lost everything and that our health is in danger. We implore you now; join us in our fight so we can obtain a real solution... with or without Shell Oil Company. We are extremely perplexed with the July 15, 2011 Cleanup Cost Recovery Program Agreement wherein the Board only requested \$75,000 for the entire fiscal year. How can you begin to do a thorough job with such limited resources? With Shell Oil Company spending several million dollars and our own attorney's spending over a million dollars... how can the regulatory oversight agency only budget \$75,000? Perhaps therein lies our mutual problem; Regional Board's budget should be at least half of Shell Oil Company's budget. Please reconsidered and let's turn up the heat on Shell Oil, people are literally dying out here.

Sincerely,



Barbara Post



CITY OF CARSON

FROM THE OFFICE OF
MAYOR JIM DEAR



August 18, 2011

Dear Carousel Tract Resident,

This letter is in response to several letters I received today from you and or your neighbors regarding Shell Oil Company's pollution of the soil in your neighborhood before your house was built. I as the Mayor, am in total agreement with your goals of demanding Shell Oil Company and any another responsible parties to do the right thing to address the problem in your neighborhood that were obviously caused by them. From the first notification of this ground pollution, I have been paying close attention and shown my support for the goals you and your neighbors have.

I agree that this problem is a public nuisance to say the least. Both you and I have been told by the Los Angeles Regional Water Quality Control Board, a state agency and the authorities that govern this type of pollution in California, as well as the responsible party, that we need to wait for the process to play out. Over a year ago, I publically stated at some of the community meetings that we have waited long enough, and now another year has gone by. I don't think waiting is going to bring us any closer to the results we want for you as residents of the city of Carson. So, therefore, it is important that we work together in a united effort to force Shell and any other agencies to take full responsibility for the dilemma each and every Carousel Tract resident, and former residents, have had to deal with. As you may know, I met with and attempted to engage the office of the State Attorney General (*Los Angeles Times* article dated April 27, 2010, written by Jeff Gottlieb); however, I was advised to wait until the testing in the neighborhood was complete.

As your Mayor and your public servant, I work for you and no one else and by receiving numerous letters from you and your neighbors, you have reinforced my belief that we, along with my colleagues on the City Council, will succeed in reaching the goals that we rightfully deserve and you and your neighbors have been struggling to achieve. I am proposing that you work closely with my office to formulate the right approach to this disaster that has struck our community.

I hope to meet with you personally to take the next step that is sorely needed and necessary to achieve our goals. I will be asking you to attend a meeting where we can outline the strategy. The time and place are still to be determined. You can contact me at my office at Carson City Hall at (310) 952-1712 or at jdear@carson.ca.us.

Sincerely,

Mayor Jim Dear

701 EAST CARSON STREET • P.O. BOX 6234 • CARSON, CALIFORNIA 90749 • (310) 830-7600

EXHIBIT NO. - 2



August 30, 2011

Dear Carousel Residents,

I wanted to personally respond to your letters sharing concerns about the contamination in the Carousel tract. This ongoing situation involving Shell Oil Company has certainly disrupted your lives and created fears about the safety of your neighborhood. As a member of the City Council, I am committed to working to prioritize the environmental investigation by the Los Angeles Regional Water Quality Control Board and Shell Oil Company. We must focus on finding the best remediation strategies that will protect your families, homes and surrounding neighborhoods.

As you know, the lead responsibility rests with the Los Angeles Regional Water Quality Control Board in coordination with other State and County agencies. Our staff and the City Attorney's Office have been closely working with the Los Angeles Regional Water Quality Control Board and other agencies to advocate on behalf of the Carson community.

I am told that the Los Angeles Regional Water Quality Control Board is pushing Shell Oil Company to complete the necessary tasks but am frustrated that the process is taking so long. Currently, the Regional Board is reviewing what is called a Draft Pilot Testing Work Plan which I understand will analyze various remediation approaches and propose potential locations for pilot testing. This is one more step in trying to find a final solution. Unfortunately, I think it will still take a lot more time for the Carousel neighborhood to get the answers they so deserve.

Please be assured that the entire City Council is resolved to stand with you through these difficult times. Our goal has not changed. We want the Carousel neighborhood to be a safe and healthy place to live and for the residents to be treated fairly. Please contact me at Carson City Hall if I may provide any assistance to you. I may be reached at (310) 972-1700.

Sincerely,

Councilman Elito Santarina



September 6, 2011

Dear Carousel Residents and Homeowners,

On behalf of the Mayor and City Council, this letter responds to the numerous letters received from Carousel residents expressing concern and dismay with the environmental contamination of their homes and neighborhood by Shell Oil Company and other potential parties. Since environmental concerns were first raised about the safety of the Carousel neighborhood, the city of Carson has been working closely with the Los Angeles Regional Water Quality Control Board (Regional Board) and various other agencies responsible for investigating the contamination and protecting the community. We remain committed to focusing on remediation options that will eliminate any environmental risks to human health.

We share your frustration in the amount of time taken to investigate the contamination. In frequent discussions with the staff of the Regional Board, we acknowledge their interests in making sure that they truly understand the nature of the contamination before allowing Shell Oil Company to proceed with any remediation. Based upon our interactions with the Regional Board and Shell Oil Company it does appear that slow but steady progress is being made.

The Regional Board is currently reviewing a Pilot Testing Work Plan which evaluates the feasibility of removing contaminated soils and remnant portions of reservoir concrete slabs that remain in the neighborhood approximately 10 feet below the surface. The Pilot Testing Work Plan discusses remedial options, possible temporary resident relocation during soil removal activities, mitigation measures to minimize odor and noise impacts, and identifies potential sites for pilot testing. On September 1, 2011, the Regional Board released a draft Negative Declaration pursuant to the California Environmental Quality Act (CEQA) analyzing the proposed remedial excavation and in-situ pilot testing for a 30-day public review and comment period. We encourage you to review the document and provide any comments to the Regional Board. The draft Negative Declaration and Pilot Testing Work Plan can be reviewed at the Carson Public Library and at <http://www.waterboards.ca.gov/losangeles/> under "Announcements".

The Regional Board anticipates approving the Pilot Testing Work Plan in October 2011, which will then require Shell Oil Company to investigate the remediation methods identified and submit findings to the Regional Board for review within 120 days. Subsequently, Shell Oil Company will begin preparing a Remedial Action Plan (RAP) in early 2012 and the Regional Board will release the document for public comments. Site clean-up resulting from the implementation of the RAP is expected to begin Summer 2012. After the Work Plan and studies are completed, the Regional Board anticipates providing a 30-day public review and comment period very soon for the Remedial Action Plan (RAP). We encourage you to review this document and provide your comments directly to the Regional Board. Please also send



your comments to us so that we can be better prepared to represent your interests during the remediation process.

One item of information that we would like to share relates to the recent telephone cable repair work conducted by AT&T earlier in August. Statements were made that the AT&T workers were subjected to unhealthy work conditions due to the contamination. Both the Regional Board and the city of Carson requested further information to document the incident. Attached is a report that was prepared by URS, a consultant retained by Shell Oil Company to perform the environmental investigation. As noted in the report, AT&T was required to stop work on July 28, 2011 to obtain permission to access the cable splice that traveled beneath a private property. Based upon a review of this report and discussions with the Regional Board, it appears that the AT&T field crew followed all correct procedures and there was no evidence of any disruption due to environmental conditions.

It is very important that you stay involved. We will continue to monitor the process and will assist in any way possible. Please contact Sheri Repp-Loadsman, Planner Officer or Sharon Song, Associate Planner at 310-952-1761 in regards to any concerns. In addition, please visit the city's webpage at <https://ci.carson.ca.us/carouseltract>, which is updated periodically and provides a link to the Regional Board website with more detailed information on the environmental investigation.

Sincerely,

Cliff Graves
Interim City Manager

cc: Mayor and City Council
General Managers
Planning Officer
City Attorney
S. Unger, Executive Officer, LARWQCB

Attachment: URS Report dated August 9, 2011





**California Regional Water Quality Control Board
Los Angeles Region**



Matthew Rodriguez
Secretary for
Environmental Protection

320 West Fourth Street, Suite 200, Los Angeles, California 90013
(213) 576-6600 • FAX (213) 576-6640
<http://www.waterboards.ca.gov/losangeles>

Edmund G. Brown Jr.
Governor

October 14, 2011

RESPONSE TO THE AUGUST 15, 2011 CAROUSEL TRACT NEIGHBORHOOD, SHELL OIL COMPANY POLLUTION LETTER

FORMER KAST PROPERTY TANK FARM LOCATED SOUTHEAST OF THE INTERSECTION OF MARBELLA AVENUE AND EAST 244TH STREET, CARSON, CALIFORNIA (SCP NO. 1230, SITE ID 2040330, CAO NO. R4-2011-0046)

Dear Carousel Neighborhood Resident:

Thank you for your letter dated August 15, 2011 addressed to the State Water Resources Control Board member Mr. Charles Hoppin. As you know, the Los Angeles Regional Water Quality Control Board (Regional Board) is the lead agency overseeing the environmental investigation of the former Kast Tank Farm Property. The Regional Board and other supporting agencies are working diligently on this investigation and pilot remediation to address the contamination present in your neighborhood.

Regarding your questions on the July 15, 2011 Clean-up Cost Recovery Program Agreement, the \$75,000 requested by the Regional Board is only an estimate. The final charges to the responsible party are based on the actual time Regional Board staff spends overseeing the site investigation and clean-up; we are not constrained by our annual estimate. Please be assured that Regional Board staff is committed to the full investigation and clean-up of this site and will carefully oversee the work without restrictions on staff time.

We recognize that the ongoing investigation and clean-up pilot projects are inconvenient, frustrating, and have disrupted your neighborhood; however, we must ask for your continued patience and cooperation. Both the environmental investigation and clean-up pilot projects provide important technical data that are critical to achieving the goal of fully investigating and cleaning up this site. Regarding the issue of increased crime in your neighborhood, we will bring your concerns to the City of Carson representatives, but encourage you to engage in a dialogue with them as well.

Once again, thank you for your letter and continued concern regarding the environmental investigation in your neighborhood. If you have any questions or comments please contact Regional Board staff.

Rebecca Veiga Nascimento
Environmental Justice Coordinator
Phone: 213-576-6784
Email: r.veiga@waterboards.ca.gov

Teklewold Ayaiew
Project Manager
Phone: 213- 576-6739
Email: tavalew@waterboards.ca.gov

Gita Kapahi
Director of Public Participation
Phone: 916-341-5501
Email: gkapahi@waterboards.ca.gov

Thizar Tintut-Williams
Unit Chief - Site Cleanup III
Phone: 213-576-6723
Email: twilliams@waterboards.ca.gov

Sincerely,


Samuel Unger, PE
Executive Officer

California Environmental Protection Agency

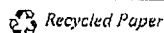


EXHIBIT NO. - 3





California Regional Water Quality Control Board
Los Angeles Region



Matthew Rodriguez
Secretary for
Environmental Protection

320 West Fourth Street, Suite 200, Los Angeles, California 90013
(213) 576-6600 • FAX (213) 576-6640
<http://www.waterboards.ca.gov/losangeles>

Edmund G. Brown Jr.
Governor

October 14, 2011

Mayor Jim Dear
City of Carson
701 East Carson Street
Carson, CA 90745

**RESPONSE TO AUGUST 15, 2011 LETTERS REGARDING CAROUSEL TRACT
NEIGHBORHOOD - SHELL OIL COMPANY POLLUTION**

Dear Mayor Jim Dear:

On August 15, 2011, City of Carson residents from the Carousel Tract neighborhood sent letters to State Water Resources Control Board Chair Charles R. Hoppin regarding the ongoing environmental investigation and remediation of the former Kast Property. As you know, the Los Angeles Regional Water Quality Control Board (Regional Board) is the lead agency overseeing this environmental investigation and remediation and I responded to the August 15, 2011 letter on behalf of Board Chair Hoppin (enclosure).

One issue presented in the letter is an increase in crime within the Carousel Tract neighborhood. The letter states that both day and nighttime burglaries have increased. I want to bring this community concern to your attention because as Mayor for the City of Carson, I know community security is also one of your primary concerns. I encourage you take any appropriate actions to ensure the safety of residents and property during the environmental investigation and remediation.

The Regional Board and other supporting agencies are working diligently on this investigation and remediation to address the contamination present in the Carousel Tract neighborhood. The City of Carson has been proactive in assisting the Regional Board with this investigation and remediation. Thank you for your continued help and support. If you have any questions or comments, please contact me at 213-576-6605.

Sincerely,

Samuel Unger, P.E.
Executive Officer

enclosure

California Environmental Protection Agency

Recycled Paper





LEROY D. BACA, SHERIFF

County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169



October 21, 2011

XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXX

Dear _____:

Thank you for your correspondence regarding your concerns surrounding hazardous waste in your neighborhood and alleged criminal conduct perpetrated by the Shell Oil Company. The Los Angeles County Sheriff's Department has thoroughly researched this matter and has identified the best avenue to seek the appropriate remedies. I certainly understand your frustrations and empathize with your efforts to seek justice for your community.

We have learned from Mr. Sam Unger, Executive Officer, California Regional Water Quality Control Board (CRWQCB) Los Angeles Region, that this matter is currently being handled by his agency. He further advised that two years ago, your concerns were evaluated by the California Environmental Protection Agency (CEPA) and the problem was deemed to be a civil matter.

The Shell Oil Company has been identified as the responsible party and administrative orders have been issued to cleanup and abate the site. Due to this being a civil matter and outside of our authoritative jurisdiction, the Sheriff's Department has no legal standing in the environmental investigation and associated cleanup effort. However, rest assured, we will continue to prioritize your safety in matters of crime in the area. It is my understanding that Acting Captain Eddie Rivero, Carson Station met with you a few weeks ago regarding efforts to increase public safety and has committed to attend future block watch meetings.

Dr. Teklewold Ayalew, CRWQCB, is managing the Carousel Tract investigation and remediation project. Dr. Ayalew can be reached at (213) 576-6739, or via email at taayalew@waterboards.ca.gov.

A Tradition of Service

EXHIBIT NO. - 4



XXXXXXXXXXXXXXXXXXXX

-2-

October 21, 2011

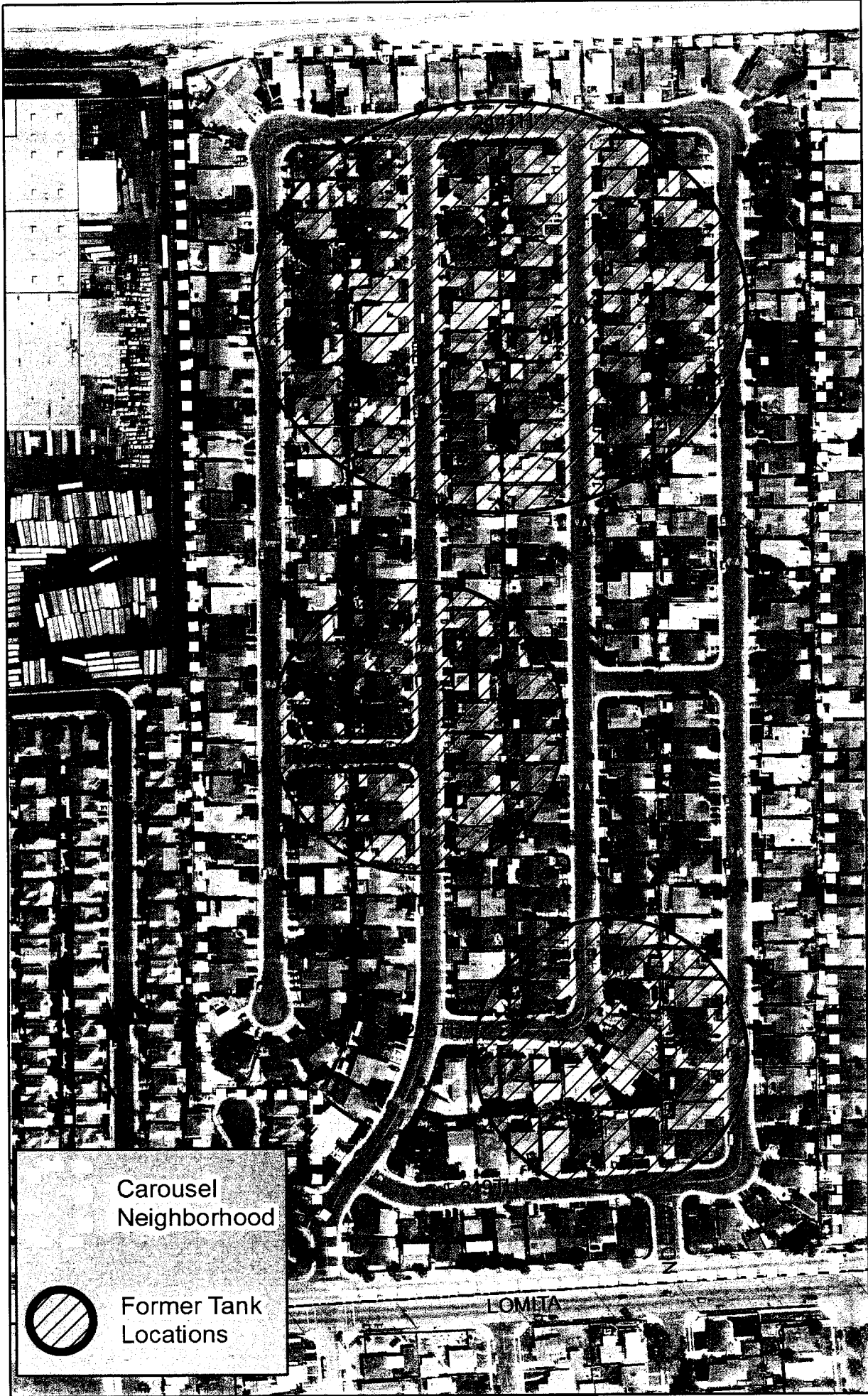
Thank you again for bringing this matter to my attention and please know that I greatly appreciate your continued leadership and advocacy within your neighborhood and the City of Carson. Please do not hesitate to contact Acting Captain Rivero, at (310) 830-1123 regarding any additional concerns.

Sincerely,

ORIGINAL SIGNED

LEROY D. BACA
SHERIFF





Carousel
Neighborhood



Former Tank
Locations

LOMITA



EXHIBIT NO.-5