SUBJECT: CONSIDER STATUS OF THE REGIONAL WATER QUALITY CONTROL BOARD ISSUANCE OF A TENTATIVE CLEAN UP AND ABATEMENT ORDER FOR THE CAROUSEL TRACT (FORMER KAST PROPERTY TANK FARM)

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Economic Development General Manager

Approved by Jerome G. Gromes  
City Manager

I. SUMMARY

This report provides an update related to the activities associated with the environmental investigation of the Carousel Tract (formerly known as the Kast Property Tank Farm). The Los Angeles Regional Water Quality Control Board (Regional Board) is the lead agency overseeing Shell Oil Company (Shell) in the environmental investigation of the Carousel Tract. On June 28, 2010, the Regional Board issued a Tentative Clean Up and Abatement Order (CAO) for the former Kast Property Tank Farm (Exhibit No. 1). A community meeting will be held from 6:00 p.m. to 8:00 p.m. on Monday, July 19, 2010, at the Congresswoman Juanita Millender-McDonald Community Center to discuss the Tentative CAO. Comment letters to the Regional Board must be received by 12:00 noon on July 28, 2010. This agenda item will allow the City Council to discuss and provide direction for any comments to be submitted by the city.

II. RECOMMENDATION

DISCUSS and PROVIDE direction to staff regarding written comments on the Tentative Clean Up and Abatement Order for the former Kast Property Tank Farm (Carousel Tract) to the Los Angeles Regional Water Quality Control Board.

III. ALTERNATIVES

TAKE another action the City Council deems appropriate.

IV. BACKGROUND

From the early-1920s to the mid-1960s, the site (Exhibit No. 2) was owned and operated by Shell as primarily a crude oil storage facility. The facility included equipment to pump the oil to the nearby Shell refinery for processing from three concrete-lined oil storage reservoirs with a total capacity of 3.5 million barrels. In the mid-1960s the property was closed and sold by Shell. Subsequently, the property was developed into the Carousel neighborhood, containing 285 homes.

The Regional Board has initiated the environmental investigation as a result of potentially significant and harmful contamination in the soils and groundwater underlying the Carousel Tract. Other participating agencies include the California
Department of Toxic Substances Control, Los Angeles County Department of Public Health, Los Angeles County Fire Department, Office of Environmental Health Hazard Assessment (OEHHA), Los Angeles Unified School District (LAUSD) and Los Angeles County Supervisor Mark Ridley-Thomas. Field work is being performed by URS and other contractors retained by Shell but approved and monitored by the Regional Board. Additional field work is being performed by Environmental Engineering and Contracting (EEC), consultants working on behalf of Girardi & Keese, a law firm retained by a substantial number of residents of the Carousel Tract.

Testing
The Regional Board has received reports on residential testing, testing at Wilmington Middle School and additional testing done within the streets located within the Carousel Tract and surrounding neighborhoods. As of July 13, 2010, the following information summarizes testing within the Carousel Tract (Exhibit No. 2):

145 total homes have been screened for methane. (51%)
   - 89 homes screened for methane (since work resumed 3/26/10).

139 total homes have had soils sampled and vapor probes installed. (49%)
   - 41 homes have had soils sampled and vapor probes installed (8/27/09 – 1/4/2010).
   - 96 homes have had soils sampled and vapor probes installed (since work resumed 3/26/10).

105 total homes have had vapor probes sampled (37%).
   - 41 homes have had vapor probes sampled (8/27/09 – 1/4/2010).
   - 61 homes have had vapor probes sampled since work resumed 3/26/10.

1 home had indoor air sampling.
   - 0 homes have had indoor air sampling since testing resumed 3/26/10.
   - Access requested for four additional homes.

11 Non–litigated homeowners have been contacted to schedule testing. One non-litigated home was methane screened and soil sampled on 5/27/10. Crews were unable to complete soil sampling as multiple borings were required. Completion date scheduled for July 20th.

The projected time to complete the first round of residential sampling across the Carousel Tract is December 2010. To date, there is no consistent trend in the vertical distribution of contamination within the Carousel Tract. The Regional
Board is using the most protective cancer risk screening levels recommended by the state and federal governments. In collaboration with the Office of Environmental Health Hazard Assessment (OEHHA), the Regional Board has determined that some residential properties have been identified with contaminants that exceed the CHHSL (California Human Health Screening Level).

On-Going Plume Delineation Activity on Public Streets

The Regional Board has required Shell to investigate surrounding properties to determine if contamination has extended beyond the Carousel Tract. Shell is providing soil vapor sampling as follows:

a. Collect soil vapor samples at five feet below ground surface from approximately 50 locations as follows: eight locations on Carmel Drive, two locations on Petaluma Lane, 20 locations on Island Avenue, 11 locations along the railroad;

b. Collect soil vapor samples from 15 and 20 feet below ground surface at every fourth sampling location;
   1. An ongoing soil sampling from 12 deep soil borings on public streets; and
   2. Installation of additional five groundwater monitoring wells.

Next Steps

The Regional Board continues to direct the efforts of Shell Oil Company related to testing and implementation of an interim remedial action plan. Documentation is available for public review at the Regional Board website located at www.geotracker.ca.gov and a direct link has been provided from the city’s website at http://ci.carson.ca.us to facilitate the viewing of information related to the Carousel housing tract.

On June 28, 2010, the Regional Water Quality Control Board, Los Angeles Region, issued a Tentative Clean Up and Abatement Order (CAO) for the former Kast Property Tank Farm. The Regional Board has scheduled a community meeting for July 19, 2010, at the Congresswoman Juanita Millender-McDonald Community Center to obtain preliminary comments on the Tentative CAO. Notices of the meeting were sent to the Carousel Tract, Monterey Pines and the properties located on Island Avenue.
A phased clean up and abatement program has been called for in the Tentative CAO. There is an acknowledgement in the Tentative CAO that temporary relocation may become necessary to perform the remedial action associated with soil removal activities. Temporary relocation may also be necessary to perform indoor air sampling within the homes. Shell Oil Products US (Shell) has affirmed to the Regional Board that appropriate actions will be taken to minimize any inconvenience and that residents will be compensated for any resulting expenses. The Pilot Test Work Plan must be submitted to the Regional Board by September 15, 2010. The full-scale Remedial Action Plan is required to be submitted by October 30, 2010. The Regional Board anticipates that Shell will be able to quickly mobilize resources to implement the plans once approved.

The Regional Board is seeking comments on the Tentative CAO by 12:00 noon on July 28, 2010. Shell will provide specific comments and evidence suggesting options for the clean up and abatement of total petroleum hydrocarbons and other contaminants of concern within the Carousel Tract. This process will also provide a substantive opportunity for the residents and their legal counsel, Girardi & Keese, and other community stakeholders to comment on the environmental investigation and potential remedial actions to protect the residential community. This agenda item provides additional opportunity for public discussion and direction from the City Council for any comments to be submitted by the city related to the Tentative CAO.

V. **FISCAL IMPACT**

Staff costs due to the coordination of activities with the Regional Board and associated parties.

VI. **EXHIBITS**

1. Tentative Clean Up and Abatement Order from Los Angeles Regional Water Quality Control Board. (without exhibits) (pgs. 6-18)
2. Site map. (pg. 19)
3. Map of Carousel Houses Tested as of July 13, 2010 (pg. 20)

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**Action taken by City Council**

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