

**CITY COUNCIL
COMMUNICATION:**

ITEM _____

**OFFICE OF THE CITY MANAGER
CITY OF DES MOINES, IOWA**

99-045

SYNOPSIS -

AGENDA:

FEBRUARY 1, 1999

SUBJECT:

AGREEMENT WITH
LENZ
ENVIRONMENTAL,
INC.-TESTING IN THE
PROPOSED DES
MOINES
AGRIBUSINESS
PARK

On the February 1, 1999, Council agenda is a resolution to enter into an Agreement with Lenz Environmental, Inc. to conduct soil and groundwater testing on certain properties in the proposed Des Moines Agribusiness Park. The proposed Park is located between SE 30th and SE 43rd Streets (City limits), as well as Scott Avenue and the Burlington-Northern rail line. Environmental assessment work is proposed to be conducted in order to determine the redevelopment feasibility of the Agribusiness Park and to encourage reinvestment in the area; it is also required under the terms of the City's brownfields redevelopment contract with the U.S. Environmental Protection Agency (EPA). Testing is anticipated to commence in February 1999 and be substantially completed by September 1999. Ellen Walkowiak, with the City's Office of Economic Development, is coordinating the City activities relative to this project.

TYPE:

RESOLUTION
ORDINANCE
RECEIVE/FILE

FISCAL IMPACT -

SUBMITTED BY:

ERIC A. ANDERSON
CITY MANAGER

Funding is available from a total \$200,000 grant under the Brownfields Economic Redevelopment Initiative Program that Region VII of the EPA awarded the City in September 1997 and in September 1998 (Account CP065, CMO990000, URR035). The total cost of the contract will not exceed \$152,000, which represents the balance of funds allocated for contractual services.

RECOMMENDATION -

Approve the Phase II/III Environmental Assessment Agreement for the Proposed Des Moines Agribusiness Park with Lenz Environmental, Inc.

BACKGROUND -

During the past year, progress has been made to determine the feasibility of redeveloping property in the proposed Des Moines Agribusiness Park and to encourage investment in the Agribusiness Park Enterprise Zone, which spans a larger area. Challenges to redevelopment must be identified and addressed in order to attract new investment and to successfully eliminate economic distress. Some of the most important issues involve understanding the nature and extent of environmental contamination that requires remediation and working with landowners to resolve it as well as dispelling the perception of environmental problems on certain properties where remediation is not mandated.

A Phase I environmental assessment has been conducted on all properties in the proposed Park. Results of this research indicate that a Phase II/III environmental assessment, which involves soil and groundwater testing, should be performed on one publicly-owned and 32 privately-owned sites. These sites represent approximately 230 acres, although entire acreages may not need to be tested. The City will have no obligation to acquire properties in the proposed Park as a result of the environmental testing. Council previously authorized City staff to obtain access agreements from property owners through negotiation or court order as necessary to conduct environmental testing. This process is underway.

A Request for Proposals (RFP) to conduct Phase II/III environmental assessment work was sent to approximately 25 firms, including several minority- and women-owned businesses. Nine firms responded to the RFP. Proposals were evaluated on the basis of technical expertise, ability to perform in a timely manner, geographic proximity to Des Moines, and project cost. Lenz Environmental, Inc. was recommended for selection unanimously by the Committee, which consisted of representatives from the Economic Development, Legal, and Engineering Departments.

Brian Lenz, President of Lenz Environmental Inc. of West Des Moines, Iowa, is proposed to be the Project Manager. He will oversee on-site environmental testing and will review test results. Mr. Lenz has an M.S. degree in analytical chemistry and has been conducting environmental services in Iowa during the past 10 years. Formerly, he worked with Terracon Environmental in Des Moines as its Environmental Manager.

He is certified by the Iowa Department of Natural Resources (IDNR) as a groundwater professional.

Barr Engineering Company of Minneapolis, Minnesota, will be an integral part of the Lenz contract team. Barr will be responsible for providing advice on cost-effective environmental remediation strategies, as well as participating in regulatory negotiation with IDNR and the EPA as necessary. Barr brings a unique component to this project. The company has worked extensively in Iowa over the past five years. Barr is the prime contractor for MidAmerican Energy to address environmental problems at various coal gasification plants. Ken Haberman of Barr, who is the Remediation Specialist assigned to this project, has more than 17 years of experience in environmental permitting, environmental review and planning, and property investigation and remediation. He was a supervisor at the Minnesota Pollution Control Agency, which implemented a voluntary clean-up program in 1992. He has actively participated in a technical advisory committee to IDNR by assisting in formulating administrative rules for the new Iowa Land Recycling and Environmental Remediation Standards Act designed to encourage voluntary clean-up. The proposed Des Moines Agribusiness Park project is anticipated to be one of the first projects to enter this new State program. Mr. Haberman's technical expertise will be extremely helpful in providing practical guidance on regulatory compliance and liability issues.

Upon Council approval of the Agreement, environmental assessment work is anticipated to commence in February 1999 and be completed by September 1999. The City will work closely with the affected property owners to educate them about the environmental findings. It is staff's intent to provide a technical support system to landowners by requesting the contract team to recommend cost-effective environmental remediation strategies. In addition, staff is researching the potential of obtaining up to a \$500,000 grant from the EPA to establish a revolving loan fund for clean-up.