CITY OF GARDEN GROVE

INTER-DEPARTMENT MEMORANDUM

To:

Matthew J. Fertal

From: Economic Development

Dept:

Director

Dept:

Subject:

SECOND AMENDMENT TO

Date:

October 26, 2010

CONSULTANT SERVICES

AGREEMENT WITH PHASE ONE

INC.

OBJECTIVE

The purpose of this report is for the Garden Grove Housing Authority to approve a Second Amendment to a Consultant Services Agreement with Phase One, Inc., ("Consultant") to provide environmental cleanup activity at the Emerald Isle Mobile Home Park ("Property").

BACKGROUND

As part of required due diligence for the sale of the Property, the Authority's environmental consultant took samples from randomly selected locations at the Property. The results from the samples generally showed the presence of agricultural chemical concentrations, which are similar to other former farmlands throughout Orange County. However, two small areas were identified with concentrations that appeared to be above the background range for these chemicals. The Consultant removed the affected topsoil at these locations and the City's Public Works Department provided new topsoil and landscaping. Subsequent testing shows that the chemical concentrations at these locations are now within the normal background range.

DISCUSSION

The Consultant prepared and submitted documentation at the direction of staff, demonstrating that the areas found to be above acceptable levels require no further action, in compliance with State of California environmental laws. The Consultant has worked carefully with the State regulatory agency in providing supplemental testing and analysis. On September 29, 2010, the State issued a no further action letter in regards to the agricultural chemicals.

The amount of testing and analysis undertaken by the Consultant exceeded the contract sum of \$24,999. The additional testing required by State raised Consultant expenditures to \$78,200. In order to pay for Consultant's cost, staff recommends increasing the contract from \$24,999 to \$78,200.

SECOND AMENDMENT TO CONSULTANT SERVICES AGREEMENT – PHASE ONE INC. October 26, 2010 Page 2

FINANCIAL IMPACT

Funds are available from the Emerald Isle Operations package.

RECOMMENDATION

It is recommended that the Housing Authority:

- Approve the Second Amendment to Consultant Services Agreement with Phase One Inc.;
- Authorize the Director to execute the agreement and make minor modifications on behalf of the Housing Authority.

Carlos Marquez Real Property Agent

Attachment 1: Second Amendment to Consultant Services Agreement

Recommended for Approval

Matthew Fertal General Manager

SECOND AMENDMENT TO CONSULTANT SERVICES AGREEMENT PHASE ONE, INC.

This SECOND AMENDMENT TO CONTRACT SERVICES AGREEMENT ("Amendment") is entered

into thisAUTHOR	day of	, 2010, by and between the GARDEN GROVE HOUSING One, Inc., a California corporation ("Consultant").	
		ECITALS	
	merald Isle Mobilehome Park, 13741 Clinto	two mobile home parks, more particularly referred to as the on Street, Garden Grove, and the Bahia Village Mobilehome the "Parks", or alternatively the "Property").	
B. (".	. Authority and Consultant executed Agreement"), for Consultant to perform certain	l a Consultant Services Agreement dated April 8, 2010 n environmental testing of the Parks.	
	The contract sum pursuant to Section 2 inety Nine Dollars (\$24,999).	.1 (a) of the Agreement is Twenty Four Thousand Nine Hundred	
D	Authority and Consultant desire to incre	ease the contract sum.	
		n of the foregoing Recitals that are a substantive part hereof and uable consideration, receipt of which is hereby acknowledged,	
1.	Authority and Consultant increase the (\$78,200).	Authority and Consultant increase the contract sum to Seventy Eight Thousand Two Hundred Dollars (\$78,200).	
2.	2. All other terms, covenants, and conditions set forth in the Agreement dated January 19, remain in full force and effect.		
Co	IN WITNESS WHERE OF, Author onsultant Service Agreement as of the date firs	ity and Consultant have executed this Second Amendment to above written.	
		AUTHORITY	
4		GARDEN GROVE HOUSING AUTHORITY, a public body,	
	TEST:	Ву:	
By:_	Secretary	Its: Director	
		CONSULTANT	
APP By:_	PROVED AS TO FORM:	PHASE ONE INC., a California corporation	
<i>y</i> **	Authority Coursel	By Market President	