

A CONTINUED MEETING OF THE CITY COUNCIL SEPTEMBER 13, 2017, 1:30 P.M. LIBRARY COMMUNITY ROOM 702 E. FRONT AVENUE

AGENDA

A. CALL TO ORDER

- 1. Acquisition of property known as the Atlas Mill site.
 - a. Environmental Review Presented by Mike Gridley, City Attorney and Tony Berns, ignite cda Executive Director
 - b. Financial Review Presented by Troy Tymesen, Finance Director
- 2. Executive Session: Idaho Code Section 74-206- (c) to acquire an interest in real property which is not owned by a public agency.

B. ADJOURNMENT

NOTE: The City will make reasonable accommodations for anyone attending this meeting who require special assistance for hearing, physical or other impairments. Please contact the City Clerk at (208) 769-2231 at least 72 hours in advance of the meeting date and time.

CITY COUNCIL STAFF REPORT

DATE: September 13, 2017

FROM: Mike Gridley – City Attorney

SUBJECT: Summary of DEQ Phase 1 Environmental Site Assessment for Bad Axe/Atlas Mill site property

DECISION POINT:

Should the City Council accept the environmental condition of the Atlas Mill site property as described in the Phase 1 Environmental Site Assessment (ESA) prepared by Tetra Tech, Inc. (Tetra Tech) for the Idaho Department of Environmental Quality (DEQ)?

HISTORY:

Tetra Tech completed a Phase I Environmental Site Assessment of the former Atlas-Stimson Mill Property, an approximately 44.5-acre site at 3074 West Seltice Way, in Coeur d'Alene. A site map is attached showing the land contours.

The purpose of this ESA was to determine whether hazardous substances and/or petroleum products have been released to the site under conditions that would represent a recognized environmental condition (REC), as defined in prevailing practices for Phase I ESAs. The investigation included a visual inspection of the property, a visual inspection of the exteriors of adjoining properties, consultation with local and state regulatory offices, review of appropriate federal and state records, and acquisition and review of local historical and environmental records that are reasonably ascertainable and practically reviewable.

The ESA was performed in general conformance with the scope and limitations of American Society for Testing and Materials (ASTM) <u>Designation E 1527-13</u>, <u>Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process</u> (ASTM E 1527-13).

FINANCIAL ANALYSIS:

The cost of the ESA was paid for by the DEQ Brownfields Program. Any future soil sampling or site testing would likely be paid for by this Program.

PERFORMANCE ANALYSIS:

Although the final ESA has not been released as of September 11, 2017, the draft report states in that based upon the information uncovered, the Phase I ESA has revealed no evidence of recognized environmental conditions in connection with the property with the following exceptions:

The northeastern portion of the subject property was utilized for the purposes of stockpiling surface soil and woody debris that may have been affected by mill and nearby railroad operations through the years. While no evidence was uncovered suggesting that releases have occurred beyond a *de minimis* condition, the quality of soil and woody debris within large stockpiles on the northeast portion of the site remains questionable. Until further investigation and/or possible sampling reveals otherwise, the likelihood of elevated concentrations of hazardous materials and/or petroleum products resting in stockpiles and former pits is considered to represent a recognized environmental condition in connection with the subject property at this time.

The subject property operated as sizable lumber mill for nearly 100 years. The site was also crossed by four railroads and multiple spur lines. The topsoil on site appears to have generally been removed from most areas; however, the quality of remaining topsoil is unknown. Until further investigation and/or possible sampling reveals otherwise, the likelihood of elevated concentrations of hazardous materials and/or petroleum products resting in remaining topsoil is considered to represent a recognized environmental condition in connection with the subject property at this time.

A Phase II environmental assessment that would analyze soil and boring samples could be done to address these exceptions and would likely be paid for by the DEQ Brownfields Program.

DECISION POINT/RECOMMENDATION:

City Council must decide whether or not to accept the current environmental condition of the property as part of the City's due diligence under the Purchase and Sale Agreement.

