SECOND AMENDMENT TO SERVICES AGREEMENT

THIS SECOND AMENDMENT TO AGREEMENT is made and entered into this ___ day of _____, 20__ , by and between the City of Merced, a California Charter Municipal Corporation ("City"), and Provost & Pritchard Consulting Group, a California Corporation, ("Consultant").

WHEREAS, City is undertaking a project to conduct remediation and is seeking consultant assistance; and,

WHEREAS, City and Consultant have previously entered into a Services Agreement ("Agreement") dated October 16, 2023; and,

WHEREAS, City and Consultant desire to amend said Agreement to provide for additional services in connection with said project.

NOW, THEREFORE, the parties hereto, in consideration of the mutual covenants hereinafter recited, agree as follows:

1. Section 1, "ADDITIONAL WORK," is hereby added to the Agreement to read as follows:

> Contractor shall perform the additional work outlined in the proposal from Contractor to City dated November 25, attached hereto as Exhibit "1".

2. Section 3. "TERM OF AGREEMENT," is hereby added to the Agreement to read as follows:

> The term of this Agreement shall commence upon the first day of original contract and end on June 30, 2026. Attached hereto as Exhibit "1".

3. Section 4. "ADDITIONAL COMPENSATION," is hereby added to the Agreement to read as follows:

> That the City shall pay to Contractor the not to exceed additional sum of eight hundred twenty-eight thousand

and two hundred Dollars ($828,200.00) for the additional work described in the proposal attached hereto as Exhibit "1" and in accordance with the rates set forth on Exhibit "1."

IN WITNESS WHEREOF, the parties have caused this First Amendment to Agreement to be executed on the date first above written.

CITY OF MERCED
A California Charter Municipal Corporation

BY:_____
D. Scott McBride
City Manager

ATTEST:
D. SCOTT MCBRIDE, CITY CLERK

BY:_____
Assistant/Deputy City Clerk

APPROVED AS TO FORM:
CRAIG J. CORNWELL, CITY ATTORNEY

BY: Craig Cornwell 12/18/2024
City Attorney Date

ACCOUNT DATA:
M. VENUS RODRIGUEZ, FINANCE OFFICER

BY:_____
Verified by Finance Officer

CONSULTANT:
PROVOST & PRITCHARD
CONSULTING GROUP

BY:_____
(Signature)

David Norman
(Typed Name)

Its: Director of Operations
(Title)

Taxpayer I.D. No. 94-2187078

ADDRESS: 455 W Fir Ave
Clovis, CA 93611

TELEPHONE: (559)449-2700
FAX: _____
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EST. 1968
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Merced Successor Agency
Project Update Memorandum

To:	Frank Quintero, Ms. Amanda Williams Joy Otsuki, Leibold (McClendon & Mann)
From:	David Norman
Subject:	Status Update: Successor Agency to the Redevelopment Agency of the City of Merced – Former Exxon and Pacific Pride UST Site at 1415 and 1455 R Street, Merced, CA
Date:	November 25, 2024

Merced Successor Agency Site

Merced R Street

The R Street project has been a leaky gasoline tank (UST) project since the mid-1990s. Several consultants have attempted to clean up and close the two sites (Former Texaco and Pacific Pride Card Lock). The former Merced Redevelopment Agency (RDA) took responsibility for cleanup in a complex set of circumstances. RDAs were dissolved in 2011 by the Governor's office resulting in an approximate two years shut down in remediation and monitoring activities. From 2013 to 2024, the Designated local Authority (DLA), Kosmont and Provost & Pritchard have been working towards site closure. In 2024 the city of Merced again resumed as the facilitating agency for this project. Until mid-2023 there were two groundwater monitoring wells left (out of more than 75 monitoring points) that contain MTBE near, but above, the closure criteria. At the request of the RWQCB, P&P has re-sampling these two wells (MW-6C and MW-10C) several times. Concentrations of MTBE increased after long groundwater purging events as reported in the 1st Quarter Groundwater Monitoring Report (July 2020). In addition, in February, March and early April 2020 Provost & Pritchard conducted biweekly sampling of Monitoring well MW- 6. During this event we increase purge volumes in an attempt to qualitatively evaluate the volume of MTBE mass near MW-6. As the sampling events continued concentrations increased to more than 6,000 parts per billion. After the three sampling events approved by the RWQCB sampling ceased.

Since it has previously been demonstrated that there is no connectivity between the saturated zones affected by MTBE and the deep water used for residential potable water by the City (Assessment of Aquifer Hydraulic Connectivity City well 5B Pump Test P&P 2008). If there is no potential impact to human receptors it is reasonable to grant site closure. Therefore, despite concentrations at higher than closure criteria of residual MTBE or other gasoline constituents in monitoring well MW-6C, Provost & Pritchard had requested site closure in the 1st quarter report.

In 2021, groundwater sampling of the remaining wells was conducted as required by the RWQCB. In later 2021, a new RWQCB project manager contacted P&P after reviewing the most current reporting and closure request the RWQCB requested additional information. After review of the data 2 conference calls with P&P, DLA and the RWQCB were held. As a result,

the RWQCB responded in writing on October 15, 2021, with a letter reviewing the project history and requirements for remedial work near monitoring well 6C to elevate the RWQCB concern that MTBE could affect City well 5, regardless of previous findings. In addition, work towards was conducted towards site closure including soil sampling was conducted to document a previous removal of a water oil underground tank.

Although the DLA and P&P expressed professional differences of opinion with the RWQCB it was agreed that the DLA would request funding for the next Recognized Obligation Payment Schedule (ROPS) funding period for P&P to install and operate 2 air only sparge points and system near (up gradient of) monitoring well 6C in R Street. The system would be installed and operated for a pilot period of 6 months. At the end of the 6-month period an evaluation would be conducted by the RWQCB in order to grant closure or require further treatment. It was further agreed that the sparge system was the best and only acceptable system for limited use within the east bound lanes of R Street. R street is a difficult location to install any system due to high traffic and the high number of utilities.

At Kosmont's request, P&P prepared a response letter agreeing to the conditions of the November RWQCB letter, including a workplan and installation of a limited air only sparge system near well 6C, operation and maintenance costs and groundwater sampling and reporting for the 6-month. This required the owner of the adjacent to agree to placement of the system on their property and agreement by the City to issue permits to install the sparge point in R street.

As of July 1, 2022, the RWQCB approved our air sparge system for remediation in the 6C area. In addition, access agreement was secured from the landowner, and details between the triple net lessee (Mr. Ed Colson) and the property lease (Victoria's restaurant) were worked out for the placement of the remedial shed to house a compressor, distribution manifold and various electronic parts for the sparge point operation.

The drilling of the sparge points in R Street and the soil borings at the two stations was completed in November 2022 and a technical memo summarizing on-site soil sampling and sparge point installation was provided to the RWQCB in July 2023. The two sparge points were installed in R Street in late- November 2022. After several months of negotiating with the City Engineering Department and the tenant (Victoria's Mexican Restaurant) the treatment system installation was completed in August of 2023.

During the initial and second groundwater sampling, required by the RWQCB related to startup of the sparge system, free product gasoline was detected floating on groundwater with dissolved concentrations of gasoline exceeding 100,000 parts per billion in samples collected from well MW-6AR. This information was reported to the RWQCB on August 16th. The Board followed up on the August 29th, 2023 with a letter requesting the assessment of the extent of free product and plans to remove said product. The initial request included the submittal of the workplan and delayed start-up of the sparge system.

To meet the requirements of the RWQCB request P&P produced a work plan which included two (2) rounds of sampling using direct push cone penetrometer testing (CTP) paired with Ultra Violet Optical Screening Tool (UVOST) with the intent to delineate the presence and extent of free-floating total petroleum hydrocarbons as gasoline (TPHg) product on groundwater and allow for the design of appropriate remedies to remove the product prior to start up of the

sparge MTBE treatment system. The two rounds of sampling with CPT/UVOST were outlined in the work plan as phase 1 and phase 2, with monitoring well installation being phase 3.

During the recent switchover from Kosmont representing the DLA to the Merced Successor Agency some budgetary confusion and $120,000 was deducted from the $486,500 RPOS request by the MSA. This amount was intended for Operation & Maintenance of the sparge system and will be re-requested post product removal. The final ROPS request, approved, was $399,000. Future ROPS will include the cost of operating the sparge system.

The workplan for the CTP LNAPL Gasoline free product assessment was prepared, submitted to the RWQCB for review and approved in June 2024. Due to regulatory and logistical delays Phase 1 of CTP/UVOST work was conducted on August 21 through August 23, 2024. A summary of phase 1 activities and proposed locations for phase 2 is currently being developed and will be submitted to the Successor Agency and then the RWQCB for review and approval in September 2024. It is anticipated that Phase 2 of the CPT/UVOST assessment will be conducted in October or November 2024.

Phase I of the CPT/UVOST activities was completed in August 2024. The results of this phase of work were reported they the Successor Agency and the RQWCB in September 2024.

Phase I Summary

In summary, The UVOST indicates where likely TPHg LNAPL mass is in the vadose zone but also as floating product. Advancements CPT/UVOST-01, and -02 show LNAPL detections in the vadose zone at depths ranging from 32 to 42 feet bgs and as floating product at the water table interface. CPT/UVOST-03 only had detections in the vadose zone and CPT/UVOST-04 only showed detections as floating product at the water table. CPT/UVOST-05, and -06 had little to no detections.
Most of the LNAPL detections provided by the UVOST appear to have waveforms like kerosene, gasoline and some motor oil signatures in the vadose zone suggesting weathered gasoline. The initial CPT/UVOST advancements generally indicate TPHg floating product is limited to the vicinity of CPT/UVOST-01, and -4 with tapering concentrations closer to CPT/UVOST-02 and lesser TPHg concentrations encountered in surrounding borings.

Groundwater Analytical Results

The laboratory analytical report for the constituents of concern — TPHg, MTBE, TBA, Naphthalene, and benzene, toluene, ethylbenzene, xylenes (BTEX) and VOCs (8260B) is presented in Appendix C. Tabulated laboratory analytical results are summarized in Table 1 Appendix B and compared to the Groundwater Direct Exposure Human Health Risk Environmental Screening Levels (ESL) for the constituents of concern. The Environmental Screening Level (ESL) for TPHg in tap water is 760 µg/L.

The highest laboratory reported concentrations came from groundwater sample CPT/UVOST-01 and CPT/UVOST-04 at 220,000 and 250,000 µg/L respectively. These areas also reported the greatest level of UVOST response at first encountered groundwater and is interpreted as LNAPL, with a max signal response of 48.7% RE and 10.1% RE, respectively, right above the local static water table. CPT/UVOST-02 and CPT/UVOST-03 also exceed the ESL for TPHg. There were no odors noted, however, there was a small sheen observed from the water sample at CPT/UVOST-02. UVOST response signals were observed in the vadose zone and at the

water table interface with a maximum signal of 8.5% at 5 feet bgs in CPT/UVOST-02. CPT/UVOST-03 signal responses were observed in the vadose zone, between 40 feet bgs and shallower. The remaining two groundwater samples, at CPT/UVOST-05, -06 were less than the ESL for TPHg. UVOST response was minimal in boring CPT/UVOST-05, and-06. If a UVOST response is encountered at a depth of 5 feet or shallower, these could have been affected by the nature of coring through asphalt and hand auguring for clearance of utilities. The groundwater data and UVOST signal response are in agreement, where the highest UVOST responses also concurred with the highest laboratory reported analytical results for TPHg.

This report also proposed new CPT/UVOST drilling locations. The RWQCB approved these Phase II locations and drilling is schedule for early December 2024.

Once phase 2 of the CPT/UVOST assessment is complete, a Final report and an Addendum Work Plan will be submitted including the proposed locations for two (2) extraction wells and one additional monitoring well installations at yet to be determined locations. If needed the report will also include recommendations for data gaps filing with 3 additional CTP and/ UVOST locations. Once approved, phase 3 will be implemented as soon as possible to begin free product removal.

Product removal will include specialized floating product skimmer pumps designed to remove only the floating gasoline and not groundwater from the newly installed extractions wells. These pumps are powered by compressed air or nitrogen, and solar or batteries. Each system will need to be housed in a small shed within a chain link fence on private property, which access will need to be secured and utilize 55-gallon drums to store the recovered gasoline and filter off gases These systems, including the parts, new recovery groundwater wells and associated monitoring wells, construction permit, weekly disposal and operation and maintenance. It is anticipated the free product removal effort will take 6 months to one year and is assumed (for the purposes for budget estimating) to recover up to 1,500 gallons of gasoline. The operation of the previously installed sparge system will be put into operation once the free product is removed from the MW-6 area and operated for at least six months.

The balance of the existing ROPS fund availability will be expended by June 30, 2025. An associated proposal to the City of Merced accompanying this update (dated November 25,2024) for ROPS request (2025-2026a). This request is submitted for City consideration and DOF approval. These funds will become available July 1, 2025.

PROVOST&PRITCHARD
CONSULTING GROUP

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November 25, 2024
Mr. Frank Quintero
Ms. Angie Whitney
Successor Agency to the Redevelopment Agency of the City of Merced
678 W 18th Street
Merced, CA, 95340

Subject: **R Street TPH, Free Product Gasoline - Removal System design, Installation and Operation and Maintenance costs near Monitoring Well 6AR for ROPS 2025 - 2026**

Dear Mr. Frank Quintero:

Thank you for the opportunity to submit this scope of services and fee for continues services on the R Street TPH project. This proposal discusses our understanding of the project, recommends a scope of services together with associated fees.

PROJECT UNDERSTANDING

This proposal addresses the additional work necessary to fill data gaps concerning Phase II CPT/UVOST assessment to refine (extent) of the free product detected in September 2023, and partially assessed in August 2024 and late October 2024 (pending RWQCB concurrence) from the historic gasoline release cleanup project, from the gasoline stations located at the former Exxon and Pacific Pride UST site, located at 1415 and 1455 R Street, Merced, CA. In addition, this proposal anticipates the need for additional extraction and monitoring wells to improve the initial product removal efforts, and to remove cleanup system and existing monitoring and extraction wells at site closure. This project had been a city of Merced the Redevelopment Agency projects until the Governor of California dissolved redevelopment agencies statewide in 2012. At that time Kosmont Company was retained by the State of California Department of Finance to manage this project acting as the Designated Local Authority's (DLA) real-estate management team, among other projects and real estate transaction, because of AB 26. As of late September of 2023, the DLA was beginning to sunset, and the City of Merced will take the project back over as the Successor Agency to the Redevelopment Agency of the City of Merced. Provost & Pritchard has been the project consultant for the city and the DLA since 2007.

Costs to conduct the required and anticipated work are allocated through the State using a Recognized Obligation Payment Schedule (ROPS) process. The following scope and fee estimated are based on recent requirements from the Regional Water Quality Control Board's (RWQCB) to design and conduct the removal of the free product after the evaluation of the free-product (floating) gasoline is completed (See previous proposal dated October 5th 2023) on groundwater near a down gradient monitoring well 6AR located in R Street.

Phase I of the CPT/UVOST activities was completed in August 2024. The results of this phase of work were reported they the Successor Agency and the RQWCB in September 2024.

PHASE I SUMMARY

In summary, The UVOST indicates where likely TPHg LNAPL mass is in the vadose zone but also as floating product. Advancements CPT/UVOST-01, and -02 show LNAPL detections in the vadose zone at depths ranging from 32 to 42 feet bgs and as floating product at the water table interface. CPT/UVOST-03 only had detections in the vadose zone and CPT/UVOST-04 only showed detections as floating product at the water table. CPT/UVOST-05, and -06 had little to no detections.
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GROUNDWATER ANALYTICAL RESULTS

The laboratory analytical report for the constituents of concern — TPHg, MTBE, TBA, Naphthalene, and benzene, toluene, ethylbenzene, xylenes (BTEX) and VOCs (8260B) is presented in Appendix C. Tabulated laboratory analytical results are summarized in Table 1 Appendix B and compared to the Groundwater Direct Exposure Human Health Risk Environmental Screening Levels (ESL) for the constituents of concern. The Environmental Screening Level (ESL) for TPHg in tap water is 760 µg/L.
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This report also proposed new CPT/UVOST drilling locations. The RWQCB approved these Phase II locations and drilling is schedule for early December 2024.

Once phase II of the CPT/UVOST assessment are complete, a final report and an Addendum Work Plan will be submitted including the proposed locations for two (2) extraction wells and one or possibly two extraction well installations, at yet to be determined locations. Once approved, phase II is completed and the RWQCB approves our free product extraction plan, field activities will the schedule. We anticipated that Free project removal will begin in late February 2024 and continue for at least six months, or longer based on the Phase II data evaluation. Funding is available for Phase II, extraction well installations and free product removal until June 30, 2024.

SCOPE OF SERVICES

PHASE SECORDARY REMEDIAL ACTION (SRA): (FREE PRODUCT RECOVERY)

This phase will include the following key tasks as summarized and discussed below:

- Prepare modified Workplan and system designs to be approved by the City and the RWQCB

- Siting and drilling of six (6) CPT, two (2) 4-inch PVC product recovery wells and 1 additional groundwater monitoring wells (per RWQCB requirements)
- Disposal of up to 1,500 gallons of recovered fuel product
- Additional six (6) quarters of groundwater monitoring
- Site, construct and install the product removal systems.
- Operated product recovery system for 6 months. Includes recovered product disposal.
- Private land usage reimbursement (Victoria's Restaurant)
- A contingency fee for future requirements from the RWQCB yet issued

In continued response to a RWQCB letter dated August 29th, 2023, and to meet the RWCQB's requirements for free product removal, has conducted the first round of, the previously approved, CPT drilling to locate free product gasoline near monitoring well 6AR. This initial data suggests that the high groundwater concentrations and free product may extend into areas not previously anticipated. The second round of 6 additional CTP are not anticipated to be sufficient to delineate the extent and therefore this proposal and associate ROPS request include a third round of 6 additional CPT drills. Additionally, the previous ROPS approval included the installation and operation of two (2) passive skimmers to remove the anticipated, yet unknown extent and volume of the free product as required and approved from *our LNAPL Gasoline Investigation Workplan* dated April 2024.

This proposal includes the installation of two (2) additional extraction wells and 1 additional monitoring well. The exact location of these additional extraction and monitoring wells will be determined after the second round of delineation (in progress). These locations may include public and or private property.

As previously assumed and proposed the addition extraction well use QED Genie Skimmers or similar products to remove the free product. This will result in three (3) locations able to remove the free product. It is anticipated the recovered gasoline will be placed in 55- gallon drums, designed for this purpose, and require weekly disposal. The additional extractions wells and groundwater monitoring well designs will require a work plan modification and workplan will be submitted for approval by the city and the Regional Water Quality Control Board (RWQCB). Once approved the additional system and monitoring well will be installed and operated for an assumed 6 months. If additional removal is necessary additional funding will be requested in a future ROPS request.
Based on the anticipated extension of the schedule to install the additional free product removal system and operation, we anticipate that the RWQCB will require six (6) additional quarters of groundwater monitoring.

Once the free product is removed the sparge system, operation on hold due to the free product, will begin operation in accordance with the January 25, 2022 *Installation and operation of limited in-situ Groundwater Sparging System Near Groundwater Monitoring well MW-6C Workplan* and associated comments and responses . The cost to operate the sparge system will be requested in the next ROPS request.

PROFESSIONAL FEES

Provost & Pritchard Consulting Group will perform the services in this Phase on a time and materials basis, in accordance with our Project 2025 Fee Schedule in effect at the time services are rendered. These fees will be invoiced monthly as they are accrued, and our total fees and reimbursable expenses will not exceed our estimate of $ 489,600 for the ROPS amended 2025-2026a (June and b period (June 2025-July 2025) without additional authorization as detailed below.

ESTIMATED FEE – FREE PRODUCT REMOVAL	
PHASE	ESTIMATED FEE
Phase SRA	
Work plans, Health and Safety plans, Traffic control plans, permitting and RWQCB responses	$55,000
• Siting and drilling of six (6) CPT, two (2) 4-inch PVC product recovery wells and 1 additional groundwater monitoring wells (per RWQCB requirements) • Disposal of up to 1,500 gallons of recovered fuel product • Additional six (6) quarters of groundwater monitoring • Site, construct and install the product removal systems. • Operated product recovery system for 6 months. Includes recovered product disposal. • Private land usage reimbursement (Victoria's Restaurant) • A 20% contingency fee for future requirements from the RWQCB yet issued	541,200
Reporting	$68,000
Contingency (for future requirements, with in the ROPS period) from the RWQCB yet issued)	139,000
Project Management	$25,000
Total Estimated Fee:	**$828,200**

*The line items shown above are estimates and are not intended to limit billings for any given Task. Required task effort may vary up or down from the line-item estimates shown, however total billings will not exceed the total shown without additional authorization. If the scope changes materially from that described above, as a result of any agency's decision, we will prepare a revised estimate of our fees for your approval before we proceed.

ASSUMPTIONS

Successor Agency to the Redevelopment Agency of the City of Merced will waive cost of encroachment permits traffic control plan approvals.

Successor Agency to the Redevelopment Agency of the City of Merced will assist Provost & Pritchard with private property access as needed.

The removal plan is not yet finalized, if the RWQCB request any variation from the proposed plan and detail here or in the December 15, 2023, or the September 9, 2024, Successor Agency Project Update memorandums additional scope and cost changes will be required and requested for approval.

Sparge system(s) operation and removal costs will be included in a future ROPS.

Sincerely Yours,
Provost & Pritchard Consulting Group

David Norman
Director of Operations