

EXECUTIVE OFFICER'S SUMMARY REPORT
9:00 a.m., March 25, 2010
Eureka Public Marina-Wharfinger Building
#1 Marina Way
Eureka, CA 95501

ITEM: 7

SUBJECT: Update on **Southern Pacific Transportation Co.** (Balloon Track Site)

In the past several months, there has been an increased interest by members of the public, environmental advocacy groups, and the media in the ongoing soil and groundwater investigation and cleanup at the Southern Pacific Transportation Co. (SPTC) former rail yard site in Eureka (locally referred to as the Balloon Track). The increased interest is largely due to plans by the new property owner to develop the site.

The SPTC site is located at 736 Broadway in Eureka.



The SPTC site includes a former Union Pacific Railroad switching, maintenance and freight yard and two former petroleum bulk fuel collection and storage sites. The site covers about 43 acres. Until the late 1800's, the site was undeveloped tidal marsh. The rail yard operated from the late 1800's until the mid-1980's. Since the rail yard closed, the site has remained vacant.

Regional Water Board Activities at the Site:

- **Cleanup and Abatement Order** – In May 2001, the Regional Water Board issued Cleanup and Abatement Order No. R1-2001-26, which ordered the landowner to cleanup the discharges and threatened discharges from the property. The owner submitted an Interim Remedial Action Plan in December of the same year.

- **Sampling & Investigations** – There is on-going monitoring of groundwater and surface water and numerous soil borings and trenches scattered throughout the site. Hundreds of field and laboratory analyses have been assessed during the site investigation. These analyses confirmed that long-chain petroleum hydrocarbons, lead, copper, and arsenic are the primary contaminants of concern. More recently, dioxins and polychlorinated biphenyls have also been found at the site.
- **Interim Remedial Actions** – While working with the Regional Water Board, the site owners have performed various interim actions and source removals, including removal of: contaminated soils; potentially hazardous waste; underground and aboveground storage tanks; and, oily waste and petroleum-impacted water.
- **Monitoring and Reporting Program** – In July 2002, the Regional Water Board issued Monitoring and Reporting Program No. R1-2002-0082 requiring the collection, analysis, and reporting of groundwater and storm water runoff samples. Based on data gathered, the Regional Water Board required the site owner to implement practices to control the stormwater runoff. Additional monitoring showed copper levels in stormwater runoff that were still of concern so the Regional Water Board staff required the site owner to propose additional stormwater controls. In response, the site owner submitted a Supplemental Interim Remedial Action Plan in June 2009.
- **Supplemental Interim Remedial Action Plan** – The June 2009 Supplemental Interim Remedial Action Plan proposed: removal of debris piles, concrete, and old foundations; focused excavation of contaminated soil; site grading to eliminate stormwater runoff; and, an 11-acre wetlands restoration. On June 18, 2009, Regional Water Board staff concurred with the Plan with additional conditions for the concurrence. Upon request of an interested party, the Plan was made available for public review in August and comments that were received by the September 15 deadline were addressed in a November Response to Comments. Staff considered all of the comments received and reaffirmed concurrence with the Plan as a means to control stormwater runoff. In January 2010, the Regional Water Board received an application for a 401 water quality certification for the activities proposed in the Plan.
- **Final Remedial Action Plan** – A final remedial action plan has not yet been prepared for the site. The CAO does not require a final remedial action plan until “at least eight months prior to seeking or applying for any entitlement for development of the site...”

Current Issues:

- **Supplemental Interim Remedial Action Plan** – The Regional Water Board concurred with the Supplemental Interim Remedial Action Plan (with additional conditions explained in the June 18, 2009 concurrence letter). The site owner must obtain all required local, state, and federal approvals for the activities described in the Plan. The Eureka City Council approved the Coastal Development Permit for the Plan, but that approval was appealed to the California Coastal Commission. Upon inquiry by the California Coastal Commission staff, the Regional Water Board staff stated that concurrence with the Supplemental Interim Remedial Action Plan does not preclude the use of alternative methods to prevent stormwater discharges containing contaminants from leaving the site. Regional Water Board staff emphasized that compliance with the requirements of CAO needs to be achieved and that some type of mitigation measures are required.
- **Development Proposal** – The SPTC site was purchased from Union Pacific Railroad by Security National Properties in 2006. The current site owner proposes to cleanup and develop the site to include a mix of residential and commercial units, a “big box” store, and 11 acres of restored wetlands. The current proposal for development, a development known as The Marina Center, has precipitated considerable controversy in the community. The Eureka City Council certified the EIR for the proposed development on October 27, 2009.
- **California Coastal Commission** –At the December 2009 Coastal Commission hearing, the Commission found substantial issues of conformance with the local Coastal Development Permit and plans to hold a hearing on the issue. A date for that hearing has not been set.

The Coastal Commission is now being sued by the supporters of plans to cleanup and develop the property. Plaintiffs argue that the Coastal Commission overstepped its authority once it voted to consider the appeal of the coastal development permit issued by the City of Eureka.

PRELIMINARY STAFF
RECOMMENDATION:

Informational Item Only