

ITEM:

SUBJECT: Signature Properties Cleanup Agreement and Covenant not to Sue, El Camino & Evergreen Properties, Sacramento County

BOARD ACTION: *Consideration of a Resolution Authorizing the Executive Officer to enter into a Cleanup Agreement and Covenant not to Sue with Signature Properties, Inc.*

BACKGROUND: Signature Properties, Inc. (Signature), plans to purchase two Brownfield properties for development that are located in an economically depressed area of Sacramento and that have soil and groundwater pollution. The soil pollution consists of minor petroleum releases with some surface soils containing low levels of pesticides and metals. Groundwater pollution consists of petroleum, perchloroethene and other solvents that have migrated beneath the site from off-site sources. Signature is not responsible for these pollution releases.

In exchange for a covenant not to sue from the Board, Signature will agree to implement specific risk management measures and cleanup actions to assure that future residents are not at risk from the site pollution; Signature will also provide future access for groundwater investigations.

ISSUES: Signature has requested a Covenant Not to Sue and has agreed to perform certain cleanup and risk management activities, in order to develop these Brownfield properties.

RECOMMENDATION: Adopt the resolution.

Mgmt. Review_____ Legal Review_____