



Agenda Item Summary

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Submitted By

Bill McKenna, Village Engineer

Reviewed By

LKS

Agenda Item Title

An Ordinance Approving a Highway Authority Agreement and an Environmental Indemnity Agreement between Second Century Enterprises, Inc. and the Village of Oak Park for the Property Located at 427 Madison Street and Authorizing their Execution

Overview

The property owner of 427 Madison Street ("Owner") seeks to secure a closure of an incident regarding a leaking underground storage tank site at the former Clark gas station with the Illinois Environmental Protection Agency (IEPA) which would include the execution of a Highway Authority Agreement (HAA) and a Limited Environmental Indemnity Agreement with the Village. A HAA identifies the areas in the right-of-way which exceeds IEPA soil remediation objectives and provides a mechanism to alert those who may need to perform any excavation work in the area. A Limited Environmental Indemnity Agreement identifies the cost responsibility for managing contaminated soils.

Staff Recommendation

Approval

Fiscal Impact

There is no fiscal impact if the Ordinance is approved. The Owner has paid for all the testing and the Limited Environmental Indemnity Agreement requires the Owner to pay all costs associated with any environmental issues should the Village, or its permittees, need to perform work in the streets where there is contamination. The Owner will also pay for recording of the agreements with the Cook County Recorder of Deeds.

Background

Petroleum products from a former leaking underground storage tank at the former Clark gas station located at 427 Madison Street, the southwest corner of Madison and Elmwood, have leaked into the soils over time. Following an environmental site investigation by the Owner it was determined that soil contamination spread into the public right-of-way on Madison Street and on Elmwood Avenue.

The current owner is requesting to obtain a Highway Authority Agreement (HAA) to allow for this contamination to remain under the right of way. The Village is requiring a Limited Environmental Indemnity Agreement which requires the Owner to pay all costs associated with any environmental issues in the future should the Village, or its permittees, need to perform work in the areas covered by this agreement.

The contamination has also spread onto the private residential property to the south of the site and the Owner is currently in discussion with the southern property owner to either purchase part of the southern lot or enter into an environmental land use contract with the southern property owner. This action has not been settled to date and will also need to be completed in order for the Owner to close the incident with the Illinois EPA.

Alternatives

The alternative to this recommendation could be to delay action to gain additional information.

Previous Board Action

N/A.

Citizen Advisory Commission Action

N/A.

Anticipated Future Actions/Commitments

None at this time.

Intergovernmental Cooperation Opportunities

None at this time.

Performance Management (MAP) Alignment

This work is in alignment with the Governance Priority for the Department of Public Works for Infrastructure/Capital Programs.