

| MEETING DATE |
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| April 7, 2025 |

CITY OF LAKE CITY

Report to Council

| COUNCIL AGENDA | |
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| ITEM NO. | |

SUBJECT: Accept Petroleum Cleanup Participation Program (PCPP) Grant from FDEP to facilitate cleanup and remediation of petroleum discharge at Lake City Gateway Airport

DEPT / OFFICE: Lake City Gateway Airport/City Attorney’s Office

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| Originator: Ed Bunnell, Airport Director | | |
| City Manager Don Rosenthal | Department Director Ed Bunnell | Date 04/07/25 |
| Recommended Action: Adopt Resolution 2025-006 approving participation in PCPP grant, and authorizing and direction Mayor to execute documents necessary to commence such grant participation | | |
| Summary Explanation & Background: <p>In 1956 the City leased certain lands at the Lake City Gateway Airport (the “Sawmill Lands”) to Daniels Lumber, Inc. In the ensuing years, until 19xx Daniels Lumber occupied the Sawmill Lands via a series of leases and lease extensions and operated a sawmill on those lands at the airport. In 19xx, through a series of transactions Daniels Lumber sold the sawmill and its operations to the entity that ultimately became Great South Timber & Lumber, Inc., the current operator of the sawmill on the airport lands. At the time of the sale in 19xx, there was one known petroleum discharge at the sawmill (“Discharge #1”) that occurred during the period of the Daniels Lumber occupancy. This discharge was not caused by Great South or the City. Subsequently, in 20xx Great South discovered additional underground storage tanks (“USTs”) originating from the Daniels Lumber era and reported that discovery and those USTs to the City and FDEP (“Discharge #2”). Those tanks have been removed from the ground, but the discharge has not been remedied.</p> <p>Both discharges are eligible for the FDEP PCPP grant program which will fund (up to \$250,000 per discharge) the remediation of the discharges at the Sawmill Lands by creating a system of containment of the discharges. The site will be encumbered by restrictive covenants prohibiting the use of the lands for residential and similar uses. Great South has willingly cooperated with the City and FDEP throughout the PCPP application process and intends to continue to operate a sawmill at the site. In the near future Great South and the City intend to negotiate a lease renewal/extension to be considered by the City Council for approval.</p> | | |
| Alternatives: Not accept the PCPP grant funds. The City would be responsible for funding the cleanup from City funds rather than through grant funds. | | |
| Source of Funds: State of Florida Department of Environmental Protection | | |
| Financial Impact: No direct financial impact from responsibility to remediate discharges. | | |
| Exhibits Attached: Resolution 2025-006 and documents attached thereto for approval. | | |