



CITY OF BANNING STAFF REPORT

TO: CITY COUNCIL

FROM: Arturo Vela, Acting City Manager

PREPARED BY: Nicole Jews, Human Resources Manager
Art Vela, Acting City Manager

MEETING DATE: August 26, 2025

SUBJECT: Consideration of Resolution 2025-122, Ratification of a Sole Source Agreement and Budget Allocation for ATI Restoration, LLC for Hazardous Waste Clean-Up

RECOMMENDATION:

Adopt Resolution 2025-122.

BACKGROUND:

On May 9, 2025, at approximately 1:15 AM, CAL FIRE/Riverside County Fire Department responded to several reports of a structure fire at Replier Park. The building, previously known as the Banning Boy Scouts Club, suffered significant damage. Fire crews brought the blaze under control in about an hour.

This fire was reported to the city's insurance company for immediate action. The city's adjuster worked diligently to get the fire damaged area secure so no additional safety issues would occur. A temporary fence was installed to secure the damaged area, and an environmental testing company was hired to come out and test for contaminants. Unfortunately, the tests came back positive for airborne asbestos.

Staff have worked with the insurance adjuster, Public Works and Parks & Recreation to approve a plan to demolish the damaged remains of the building.

JUSTIFICATION:

Staff is requesting ratification of an emergency/sole source contract with ATI Restoration, LLC to complete the environmental clean-up of the area for an amount not to exceed \$494,500.

Due to the possible environmental contamination, staff has determined that the work should be processed as an emergency.

FISCAL IMPACT:

As a part of the insurance coverage, all work completed for this environmental clean-up, testing and temporary fencing will be covered from the insurance funds. The insurance company provided the city with a payment of \$741,480, which is the total value of the building. These funds will be used to cover the cost of the work to be performed.

Due to this being a commercial building claim the city's \$10,000 deductible has been waived.

Staff needs a budget appropriation to Account: 704-3200-412-90.15 (Project Code: EM2601) in an amount of \$494,500.

ALTERNATIVES:

Do not adopt Resolution 2025-122 and provide alternative direction to staff.

BUDGETED?:

No

CONTRACT/AGREEMENT:

Yes

ATTACHMENTS:

1. [Resolution_2025-122_Approving_a_Sole_Source_Agreement_for_Hazardous_Waste_Clean-up_for_Replier_Park \(1\).docx](#)
2. [Pictures of Boy Scout House Fire.pdf](#)
3. [ATI - Sole_Source_Vendor_Form_Banning.pdf](#)
4. [Executed C01179 - Environmental Clean-Up Replier Park \(ATI Restoration, LLC\).pdf](#)