



AGENDA

SPECIAL MEETING - STUDY SESSION OF THE SANTA FE SPRINGS WATER UTILITY AUTHORITY AND CITY COUNCIL

**October 18, 2017
6:00 P.M.**

Council Chambers
11710 Telegraph Road
Santa Fe Springs, CA 90670

***William K. Rounds, Mayor
Jay Sarno, Mayor Pro Tem
Richard J. Moore, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember***

Public Comment: The public is encouraged to address City Council on any matter listed on the agenda or on any other matter within its jurisdiction. If you wish to address the City Council, please complete the card that is provided at the rear entrance to the Council Chambers and hand the card to the City Clerk or a member of staff. City Council will hear public comment on items listed on the agenda during discussion of the matter and prior to a vote. City Council will hear public comment on matters not listed on the agenda during the Oral Communications period.

Pursuant to provisions of the Brown Act, no action may be taken on a matter unless it is listed on the agenda, or unless certain emergency or special circumstances exist. The City Council may direct staff to investigate and/or schedule certain matters for consideration at a future City Council meeting.

Americans with Disabilities Act: In compliance with the ADA, if you need special assistance to participate in a City meeting or other services offered by this City, please contact the City Clerk's Office. Notification of at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

Please Note: Staff reports, and supplemental attachments, are available for inspection at the office of the City Clerk, City Hall, 11710 E. Telegraph Road during regular business hours 7:30 a.m.-5:30 p.m., Monday-Thursday and every other Friday Telephone (562) 868-0511.

1. **CALL TO ORDER**

2. **ROLL CALL**

Richard J. Moore, Councilmember
Juanita Trujillo, Councilmember
Joe Angel Zamora, Councilmember
Jay Sarno, Mayor Pro Tem
William K. Rounds, Mayor

CITY COUNCIL/ WATER UTILITY AUTHORITY/ SUCCESSOR AGENCY

STUDY SESSION

3. Critical Water Issues

Recommendation: That the Water Utility Authority/City Council:

- Direction to Staff regarding the installation of a water treatment system for Water Well No. 12;
- Direction to Staff regarding the installation of well packers in Water Well No. 12;
- Direction to Staff to meet with City of Whittier Staff to discuss purchasing water and a collaborative approach to install a water supply high pressure transmission line through the City to connect with the MWD system;
- Direction to Staff regarding plans and specifications for the design and construction of Water Well No. 18;
- Direction to Staff to meet with City of Downey Staff to discuss purchasing water and, if there is interest, to prepare an Action Plan for City Council review and approval;
- Direction to Staff to develop a water meter charge rate increase proposal for City Council review and approval; and
- Direction to Staff to develop a Water CIP Funding Plan for City Council review and approval.

4. Future Development of the Former Von's/Safeway Site

Recommendation: That the City Council:

- Call upon a representative from Goodman to give a presentation on their proposed development of the Von's/Safeway Site.
- Authorize Staff to require any proposed development of the Site be accompanied by a Fiscal Impact Analysis.

5. Award of Contract to PGMC Company, Inc. for the Purchase and Installation of a New Fuel Dispenser at Fire-Rescue Headquarters

Recommendation: That the City Council:

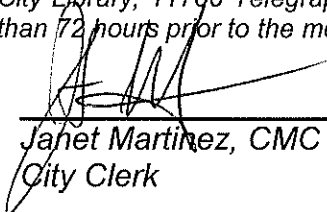
- Consider the Following options:
 - a. Appropriate \$19,242.48 to the Non-Recurring (#9000) budget account from the City's General Fund Reserves, or
 - b. Appropriate \$19,242.48 to the Non-Recurring (#9000) budget account from the City's Risk Management Fund, or
 - c. Reclassify and move the project to the Capital Improvement Project (CIP)

Program and fund all or partially from the City's General Fund CIP Fund.
Authorize an award

- Authorize an award of contract to PGMC Company, Inc. for the installation of a new Gasboy Fuel Dispensing System in an amount not to exceed \$54,242.48.

6. ADJOURNMENT

I hereby certify under penalty of perjury under the laws of the State of California, that the foregoing agenda was posted at the following locations; Santa Fe Springs City Hall, 11710 Telegraph Road; Santa Fe Springs City Library, 11700 Telegraph Road; and the Town Center Plaza (Kiosk), 11740 Telegraph Road, not less than 72 hours prior to the meeting.



Janet Martinez, CMC
City Clerk

October 17, 2017
Date



City of Santa Fe Springs

Water Utility Authority/City Council Meeting

October 18, 2017

STUDY SESSION CRITICAL WATER ISSUES

RECOMMENDATIONS

That the Water Utility Authority/City Council provide:

- Direction to Staff regarding the installation of a water treatment system for Water Well No. 12;
- Direction to Staff regarding the installation of well packers in Water Well No. 12;
- Direction to Staff to meet with City of Whittier Staff to discuss purchasing water and a collaborative approach to install a water supply high pressure transmission line through the City to connect with the MWD system;
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- Direction to Staff to develop a water meter charge rate increase proposal for City Council review and approval; and
- Direction to Staff to develop a Water CIP Funding Plan for City Council review and approval.

BACKGROUND

The objective of the City Council Study Session is to review critical water supply issues facing the City and to provide direction to Staff on next steps.

The City Council has taken several actions over the last nine (9) years to address the City's water supply needs and water quality issues, including:

- a) 2009 Purchase of the parcel for the Water Well No. 12 site;
- b) 2014 Destruction of Water Wells No. 4 and No. 309;
- c) 2015 Completion of Water Well No. 12;
- d) 2016 Destruction of Water Well No. 1;
- e) 2016 Authorization of a water well siting study for Zone 1;
- f) 2017 Hydrogeological services for the drilling, design, construction and testing of a new municipal-supply water well within Zone 1;
- g) 2017 Authorization to advertise for bids (twice) for a water treatment system for Water Well No. 12.

CRITICAL WATER ISSUES

1. Impact of Omega Plume on Potential City Water Supply Wells Sites
 - a. The Omega Plume impacted Water Wells No. 1 and No. 4, necessitating their destruction.

Report Submitted By: Noe Negrete, Director  Date of Report: October 16, 2017
Department of Public Works

ITEM NO. 3

- b. The City authorized a hydrogeological study to site a water well in Zone 1 (northern area of City). Given the path of the Omega Plume and limiting the study to City-owned parcels, five (5) sites were selected for study. Due to their proximity to the Omega Plume, three (3) sites were eliminated from further study. The remaining two (2) sites were located in the same location as previously abandoned well sites, Jessup (Idalene Avenue) and Ashmun (adjacent to the San Gabriel River). The Ashmun well site study was selected for further study and currently is in the phase of developing plans and specifications for drilling. The estimated cost for installing a well at this site is approximately \$5.2 million.

2. Water Well No. 12

Following completion of Water Well No. 12 in June 2015, the well was operated to test the water quality for State of California Division of Drinking Water (DDW) standards. The initial water quality tests met DDW standards.

Subsequent water quality tests results revealed high levels of Hydrogen Sulfide (producing an undesirable odor), Iron (producing a "brownish" color) and high water temperature (approximately 84°F). Continued testing and flushing has not resulted in a change in the water quality. Staff recommended not pumping water from Water Well No. 12 into the City's water distribution system until these issues could be addressed and corrected.

Staff reviewed several alternatives for addressing the Iron and Hydrogen Sulfide issues. One alternative that was considered was to install a well packer which is an expandable plug used to isolate perforated sections of the well casing that may be contributing to the identified water quality issues. This was based on a report by a water quality consulting firm retained to review the test results and develop a work plan to modify the well in-take structure and address the identified water quality issues.

The proposed installation of well packers was intended to mitigate, to varying degrees, the identified water quality issues. The complete elimination of the water quality issues was not anticipated and therefore may require the installation of a water treatment system thereafter.

However, the installation of well packers may significantly impact the size and complexity of the water treatment system required. A significant cost savings in the installation costs, as well as on-going operating and maintenance costs was projected as a result of the well packers.

The effect on the wells water production by installing well packers would be a loss of overall water production, a change in the pump configuration, and the permit to operate governed by the DDW would have to be altered to

conform to the new water production capacity. Currently, the well is designed to operate at a maximum of 2000 gallons per minute and with the installation of a packer, the overall production will be diminished to potential ranges of 1,200 – 1,500 gallons per minute. A well producing water at a range of 1,200 – 1,500 gallons per minute is adequate to sustain water demands (peak flows, daily demands, and fire suppression) within Zone II.

Current estimated costs to install the well packers is approximately \$200,000-\$300,000. The estimated time to install the screens and test the water quality is approximately three (3) to six (6) months.

It was determined that installation of a water treatment system retrofit to Water Well No. 12 was the most viable alternative. At the time, the total estimated cost of the water treatment system project was approximately \$2 million - \$2.5 million (including design, construction, construction management and inspection).

Based on the most recent bids received, the cost to fabricate and install the ground water treatment system for Water Well No. 12 is approximately \$4.5 million (including construction management, inspection and contingency costs). To date, the City has invested approximately \$4.5 million to construct Water Well No. 12.

3. Water Well No. 18

The City Council, at their May 26, 2016 meeting, awarded a Consultant contract to perform a water well siting study for Zone 1.

The Consultant performed hydrogeological and engineering studies for the three (3) potential water well sites, including but not limited to identifying aquifers, identifying potential contamination, a capture zone study, and determining feasibility of developing and building a well. Based on the evaluation of the three (3) sites, the Consultant recommended the former Ashmun well site and the former Jessup well site as potential well sites.

Based on Staff's review and recommendation, the City Council approved the Ashmun well site location for a new water well in Zone 1. The site is a large City-owned parcel located adjacent to the San Gabriel River.

The Hydrogeological Services required for the development of new well include:

- Prepare a preliminary design report for the new well.
- Develop a set of plans and technical specifications, cost estimates for well construction.
- Provide inspection and management services for drilling.
- Provide inspection of casing and gravel pack installation.

- Conduct final pumping tests.
- Conduct water quality sampling and arrange for water testing.
- Process the required permits and reports required by State of California agencies.

To date, the Consultant has completed a preliminary design report for the new well, including a general location within the City's parcel.

Estimated costs for drilling and construction of the well casing are \$1,000,000-\$1,500,000. This cost estimate does not include the wellhead, pump, mechanical infrastructure (piping, plumbing), and building. These costs will be provided in a future report to the City Council.

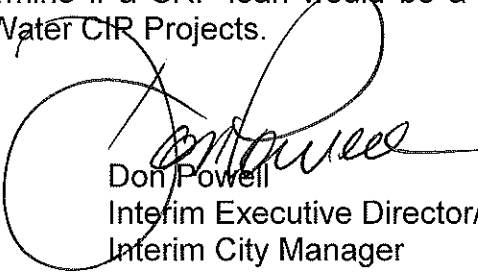
4. Purchasing Water from the City of Whittier

Discussions have taken place between City Staff and Whittier Staff regarding purchasing water from the City of Whittier. The City of Whittier is interested in an emergency water supply connection to the Metropolitan Water District system located in the City. A connection to the MWD system would enhance Whittier's water supply. Access to the MWD system would be through a water supply high pressure transmission line through the City's system. The proposed water transmission line connection would begin in the area of Lambert Road and Painter Avenue to Carmenita Road and Imperial Highway. The distance is approximately 2.8 miles. The City would benefit by having an additional drinking water entry source for Zone 1 and Zone 2 from Whittier. The proposed transmission line would also create connection points between Zones 1 and 2 for greater operational flexibility and reliability enhancing the City's water supply. A preliminary cost estimate to install the water transmission line is approximately \$5 million. The cost per acre foot of purchasing finished water from Whittier has yet to be determined but estimated at approximately 50% of the MWD cost per acre foot. Pursuant to Whittier's interest in a MWD connection, it is anticipated that a cost-sharing proposal for installing the water transmission line would be open for discussion.

5. Purchasing Water from the City of Downey

All infrastructure is in place to purchase water from the City of Downey, except for flow control, chlorine treatment, and metering equipment. This equipment must be located near Florence Avenue and Studebaker Road. The site for equipment and chemical room is privately held and would have to be purchased from the owner. The estimated cost of the equipment required to connect to the Downey water system is \$250,000. The estimated cost of purchasing the site (approximately 5,000 square feet) for equipment is approximately \$200,000. The City of Downey has not been contacted regarding the purchase of water. It is unknown what quantity of water could be purchased or what the cost per acre foot would be.

6. Review Increase in Fixed Rate Meter Charges for Selected Meter Sizes
 - Review comparison to surrounding cities of existing fixed rate meter charges
 - Review comparison to surrounding cities of 100% increase in fixed rate meter charges for selected meter sizes
 - Review comparison of existing revenue plus projected revenue from 100% increase in fixed rate meter charges for selected meter sizes
7. Future Funding for Water Infrastructure Projects
 - a) List of Water Infrastructure Projects and Budgeted Allocations (Attached)
 - b) Water CIP Fund balance - \$2.5 million
 - c) Other Potential Funding for Water CIP projects:
 - Prop 1 Funding may be available for a shovel ready project that is currently on an approved Integrated Regional Water Management Plan (IRWMP) list of eligible projects through the Greater Los Angeles IRWMP, or through the Gateway Water Management Authority (GWMA) IRWMP.
 - The State Revolving Fund Loan (SRF) governed by the State Department of Drinking Water (DDW) is available for all water projects in the State. Generally, SRF loans have terms of low interest and lengthy pay back scenarios. More information is needed to determine if a SRF loan would be a viable funding source for City Water CIP Projects.

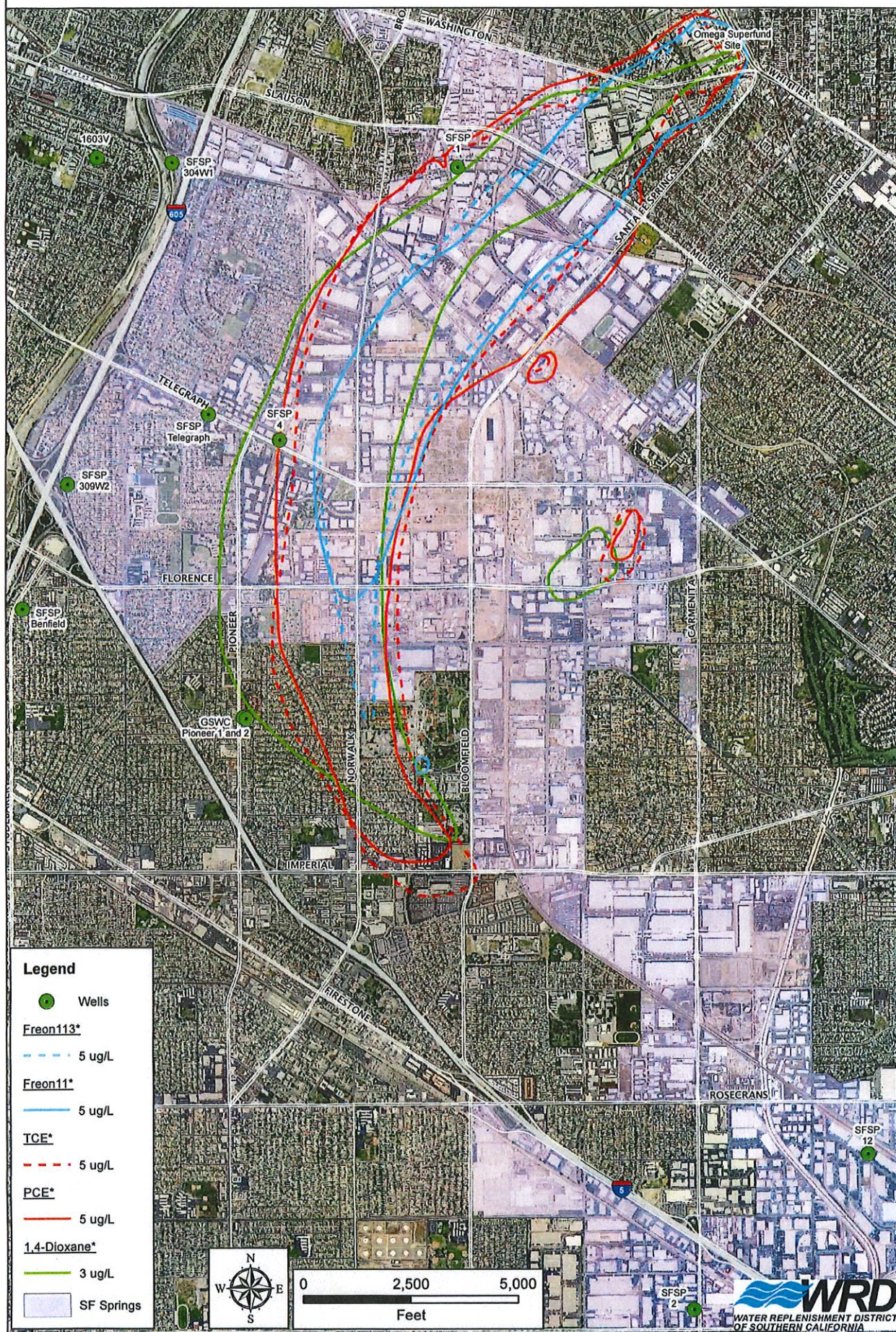


Don Powell
Interim Executive Director/
Interim City Manager

Attachments:

1. Map of Omega Plume
2. Comparison of Water Meter Rates to Surrounding Cities

Santa Fe Springs Wells in the Vicinity of the Omega Chemical Superfund Site



*Plume outlines from EPA Draft Remedial Investigation Report, 2009

Comparison of Current Fixed Monthly Water Meter Charges

Municipal City of SFS	Meter Size	Municipal City of Whittier		Meter Size	Municipal City of Norwalk		Meter Size	Municipal City of Downey		Meter Size	Suburban Water Systems Whittier/La Mirada		Meter Size	Private (PUC governed) San Gabriel Valley Water North area of SFS	
		City of Whittier	Meter Size		City of Norwalk	Meter Size		City of Downey	Meter Size		Whittier/La Mirada	Meter Size		North area of SFS	Meter Size
\$12.40	3/4	\$40.35	3/4	3/4	\$26.90	3/4	3/4	\$28.47	3/4	3/4	\$19.66	3/4	3/4	\$18.43	3/4
\$16.09	1	\$60.26	1	1	\$35.91	1	1	\$34.58	1	1	\$32.76	1	1	\$26.79	1
\$59.55	1-1/2	\$134.11	1-1/2	1-1/2	\$58.43	1-1/2	1-1/2	\$53.34	1-1/2	1-1/2	\$65.52	1-1/2	1-1/2	\$47.69	1-1/2
\$83.25	2	\$181.79	2	2	\$85.46	2	2	\$82.50	2	2	\$104.84	2	2	\$72.76	2
\$167.61	3	\$390.73	3	3	\$148.53	3	3	\$155.08	3	3	\$196.57	3	3	\$152.14	3
\$220.89	4	\$530.14	4	4	\$238.63	4	4	\$204.60	4	4	\$327.62	4	4	\$269.13	4
\$277.00	6	\$830.42	6	6	\$463.88	6	6	\$298.98	6	6	\$655.24	6	6	\$590.87	6
\$368.52	8	\$868.39	8	8	\$734.18	8	8	\$405.71	8	8	\$1,048.39	8	8	N/A	8
\$555.00	10	N/A	10	10	\$1,049.53	10	10	\$520.61	10	10	\$1,507.50	10	10	N/A	10

Comparison of Fixed Monthly Water Meter Charges with 100% Increase for Selected Water Meter Sizes

Municipal City of SFS	Meter Size	Municipal City of Whittier		Meter Size	Municipal City of Norwalk		Meter Size	Municipal City of Downey		Meter Size	Suburban Water Systems Whittier/La Mirada		Meter Size	Private (PUC governed) San Gabriel Valley Water North area of SFS	
		City of Whittier	Meter Size		City of Norwalk	Meter Size		City of Downey	Meter Size		Whittier/La Mirada	Meter Size		North area of SFS	Meter Size
\$24.80	3/4	\$40.35	3/4	3/4	\$26.90	3/4	3/4	\$28.47	3/4	3/4	\$19.66	3/4	3/4	\$18.43	3/4
\$32.18	1	\$60.26	1	1	\$35.91	1	1	\$34.58	1	1	\$32.76	1	1	\$26.79	1
\$119.10	1-1/2	\$134.11	1-1/2	1-1/2	\$58.43	1-1/2	1-1/2	\$53.34	1-1/2	1-1/2	\$65.52	1-1/2	1-1/2	\$47.69	1-1/2
\$166.50	2	\$181.79	2	2	\$85.46	2	2	\$82.50	2	2	\$104.84	2	2	\$72.76	2
\$335.22	3	\$390.73	3	3	\$148.53	3	3	\$155.08	3	3	\$196.57	3	3	\$152.14	3
\$441.78	4	\$530.14	4	4	\$238.63	4	4	\$204.60	4	4	\$327.62	4	4	\$269.13	4
\$554.00	6	\$830.42	6	6	\$463.88	6	6	\$298.98	6	6	\$655.24	6	6	\$590.87	6
\$737.04	8	\$868.39	8	8	\$734.18	8	8	\$405.71	8	8	\$1,048.39	8	8	N/A	8
\$1,110.00	10	N/A	10	10	\$1,049.53	10	10	\$520.61	10	10	\$1,507.50	10	10	N/A	10

Comparison of Current Annual Revenue from Fixed Monthly Water Meter Charges

Plus Revenue from 100% Increase for Selected Meter Sizes

METER SIZE	Quantity	CURRENT ANNUAL FIXED METER REVENUE		ADDITIONAL ANNUAL REVENUE FROM HIGHLIGHTED METER SIZES		COMBINED ANNUAL REVENUE	
		Quantity	Revenue	Quantity	Revenue	Quantity	Revenue
3/4	3130		\$465,744.00		\$465,744.00		\$931,488.00
1	1196		\$230,923.68		\$230,923.68		\$461,847.36
1-1/2	630		\$450,198.00		\$0.00		\$450,198.00
2	589		\$588,411.00		\$0.00		\$588,411.00
3	64		\$128,724.48		\$0.00		\$128,724.48
4	27		\$71,568.36		\$0.00		\$71,568.36
6	4		\$13,296.00		\$13,296.00		\$26,592.00
8	1		\$4,422.24		\$4,422.24		\$8,844.48
10	0		\$0.00		\$0.00		\$0.00

Total Meters 5641 **\$1,953,287.76** **\$714,385.92** **\$2,667,673.68**

fire protection meters not part of cost analysis



STUDY SESSION

Future Development of the Former Von's/Safeway Site

RECOMMENDATIONS: That the City Council:

- Call upon a representative from Goodman to give a presentation on their proposed development of the Von's/Safeway Site.
- Authorize Staff to require any proposed development of the Site be accompanied by a Fiscal Impact Analysis.

LOCATION/BACKGROUND

In May 2016, Goodman purchased the Von's/Safeway distribution center, located at the southwestern corner of the City of Santa Fe Springs near Interstate 5 (I-5) Freeway and Rosecrans Avenue. The two-parcel property (APN: 8082-030-010 with an address of 12801 Excelsior Drive and APN: 8082-003-006 with an address of 14420 Bloomfield Avenue) is ± 75 acres and is developed with $\pm 980,000$ sq. ft. of existing warehouse spaces, including cold storage, within a variety of warehouse buildings. The property is physically located within the jurisdictional boundary of the City of Santa Fe Springs, at the northeast corner of Bloomfield Avenue and Excelsior Drive and bounded by Shoemaker Avenue to the East and the Union Pacific rail line on the north east. It should be noted that the properties to the South and to the West are in the city of Norwalk and largely developed with single-family residences.

At the time of purchase in 2016, Von's/Safeway leased back the property for 24 months. The current lease is set to expire eight (8) months from now, in May 2018. Von's/Safeway is in the process of moving their operations to other facilities and decommissioning the buildings. Over the past year, Staff has met with the Goodman representatives numerous times to discuss their plans to re-habilitate the existing buildings and re-let to users that would utilize the buildings and hardstand in the as-is condition.

The property is currently zoned M-2-BP, Heavy Manufacturing-Buffer Parking. Under such zoning, the uses on the property would include, but are not limited to: warehouse and distribution activities, heavy manufacturing uses conducted within a completely enclosed building, as well as similar industrial uses that are considered safe and harmonious with the surrounded industrial environment. Other than uses that would require a Conditional Use Permit or any major modification to the square footage of the buildings, or appurtenant improvements, no City discretionary approvals are required to re-tenant the site in its current format.

Over the past six months, Goodman has discussed with City staff several inquiries they've received from a number of corporate users interested in locating on the site if it was developed as Class A industrial space versus its current mix of Class B and C,

mostly functionally obsolete space. Recently, Goodman discussed with staff the potential to develop the site for new Class A industrial development.

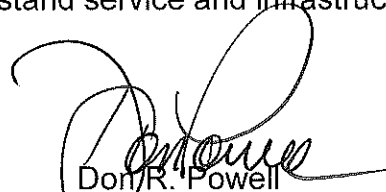
The plans provided to Staff at the October 03, 2017 meeting, depicted two Schemes: Scheme 14 and Scheme 17. Scheme 14 showed four new buildings, each on their own parcel, totalling 1,651,294 sq. ft. Scheme 17 showed two buildings, each also on their own parcel and a third parcel for trailer storage. The buildings totalled 1,217,160 sq. ft. Staff had concerns with Scheme 17, the two-building scenario. The concerns weren't necessarily with the size of the buildings, but more specifically the way the buildings were oriented with the truck loading doors facing Bloomfield Avenue and Excelsior Drive, directly across the street from the residential neighbourhoods in the City of Norwalk. To address staffs' concern, Goodman was asked to consider a hybrid plan that could possibly maintain the total square footage of the buildings, but eliminate the loading doors along the street frontages.

Coincidentally, the day before, Staff received a phone call from the Acting Community Development Director for the City of Norwalk, who was inquiring about the future development of the site. His Council and residents were concerned about any future development that would add noise and truck traffic to the neighbourhood. The neighbours had already expressed concerns about the existing use. The Acting Director was informed that they would be notified of any future development of the site, but at this time, there has only been preliminary discussions with the new ownership, but no entitlements for the redevelopment of the Site is currently being processed. He indicated that he would convey this information to his Council.

For the Study Session, Goodman is proposing two new Schemes: Schemes 19 and Scheme 20. Scheme 19 depicts the development of the entire ±75 acres with three buildings totalling 1,612,090 sq. ft. Scheme 19 shows three buildings totalling 1,380,040 sq. ft. The main difference between Scheme 19 and 20 is that with Scheme 19, Building 1 is larger by 232,050 sq. ft. (627,760 sq. ft. to 859,810 sq. ft.) and requires the development of the entire Site. Both Schemes, however show truck loading doors along Bloomfield Avenue.

The purpose of today's Study Session is to allow Goodman to present their plan, explain the rationale behind the plan and ask for the City's consideration and feedback. Notwithstanding, Staff is recommending that any future development of the Site would require a fiscal impact analysis. Whenever land is developed in a given municipality, no matter if it is for residential, industrial, or commercial use, a host of new costs are incurred by the municipal government in order to provide additional services and infrastructures to that development. Such services may include the expansion of fire protection, policing and emergency services, just to name a few. A variety of infrastructure costs are also incurred, such as the provision of water, sewer and cost incurred from heavy wear and tear on roadways from trucking uses. A fiscal impact

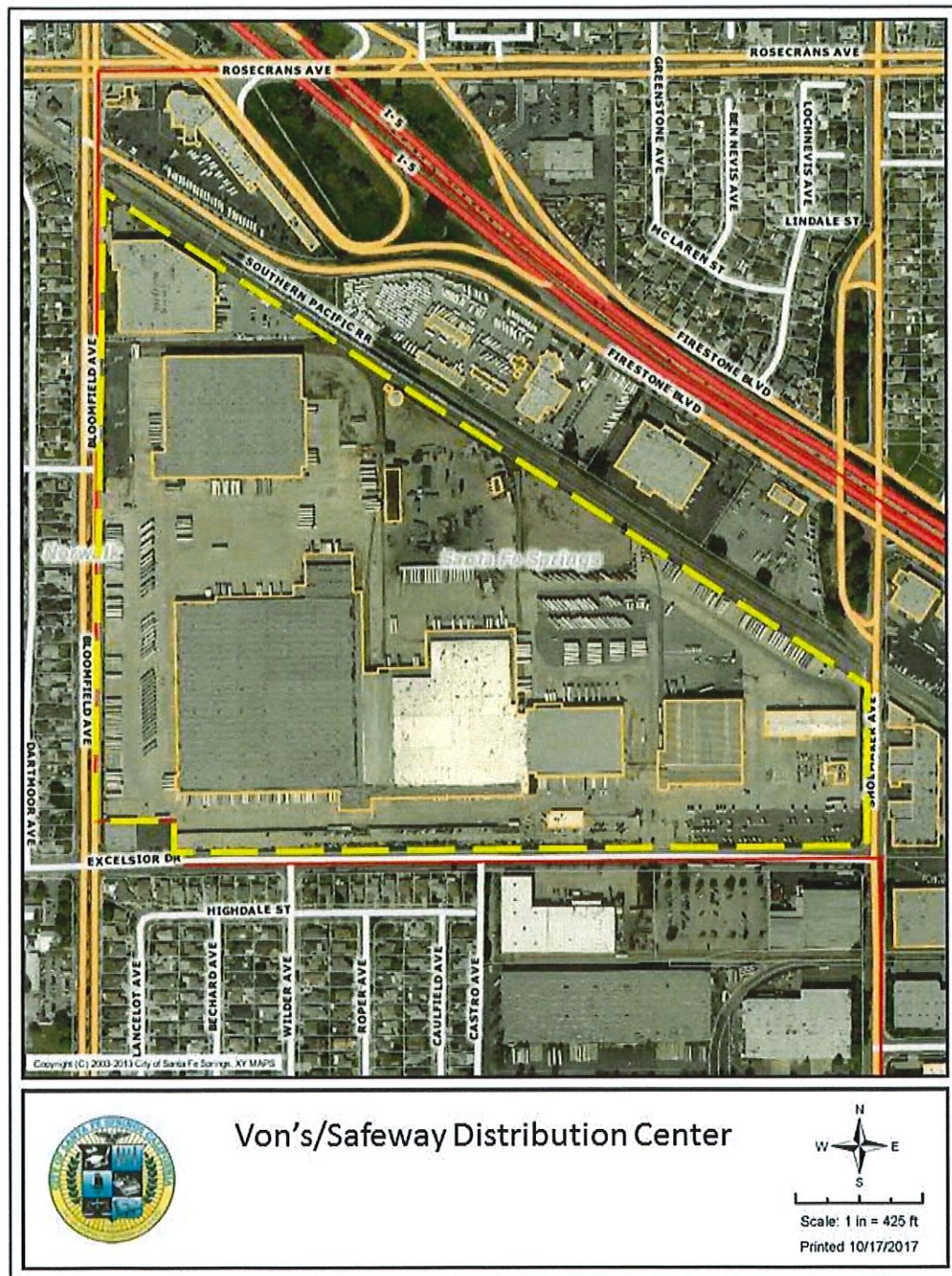
analysis will provide Staff with the tools to understand service and infrastructure costs associated with the redevelopment of the Site.



Don R. Powell
Interim City Manager

Attachments:

1. Location Aerial
2. Existing Site Plan
3. Scheme 14
4. Scheme 17
5. Scheme 19
6. Scheme 20



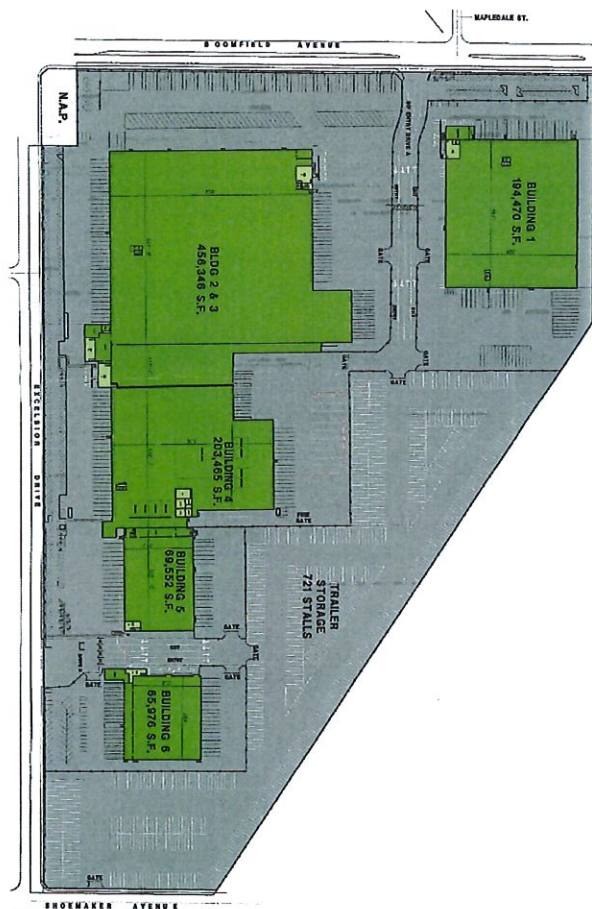
PLAN+

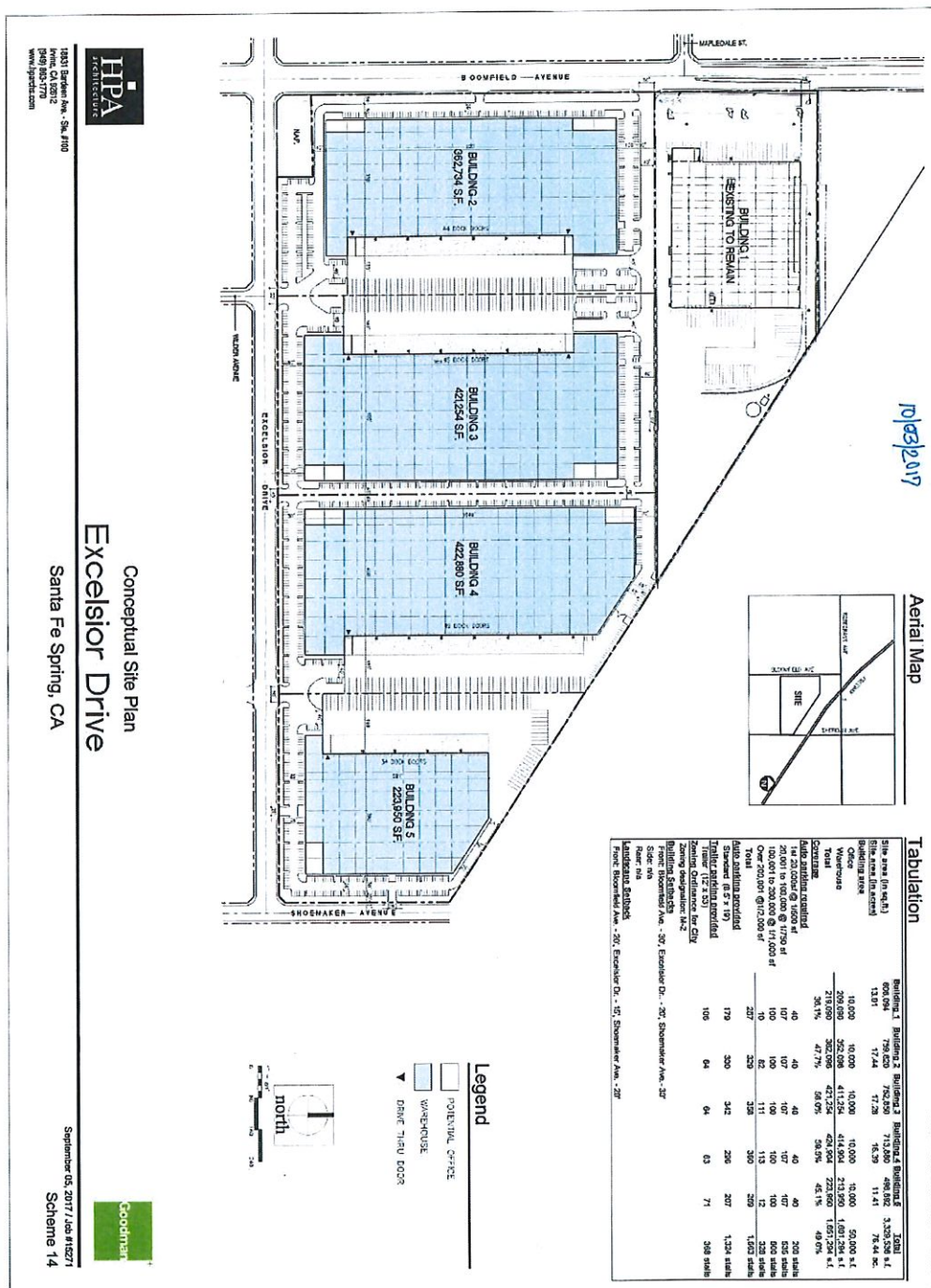
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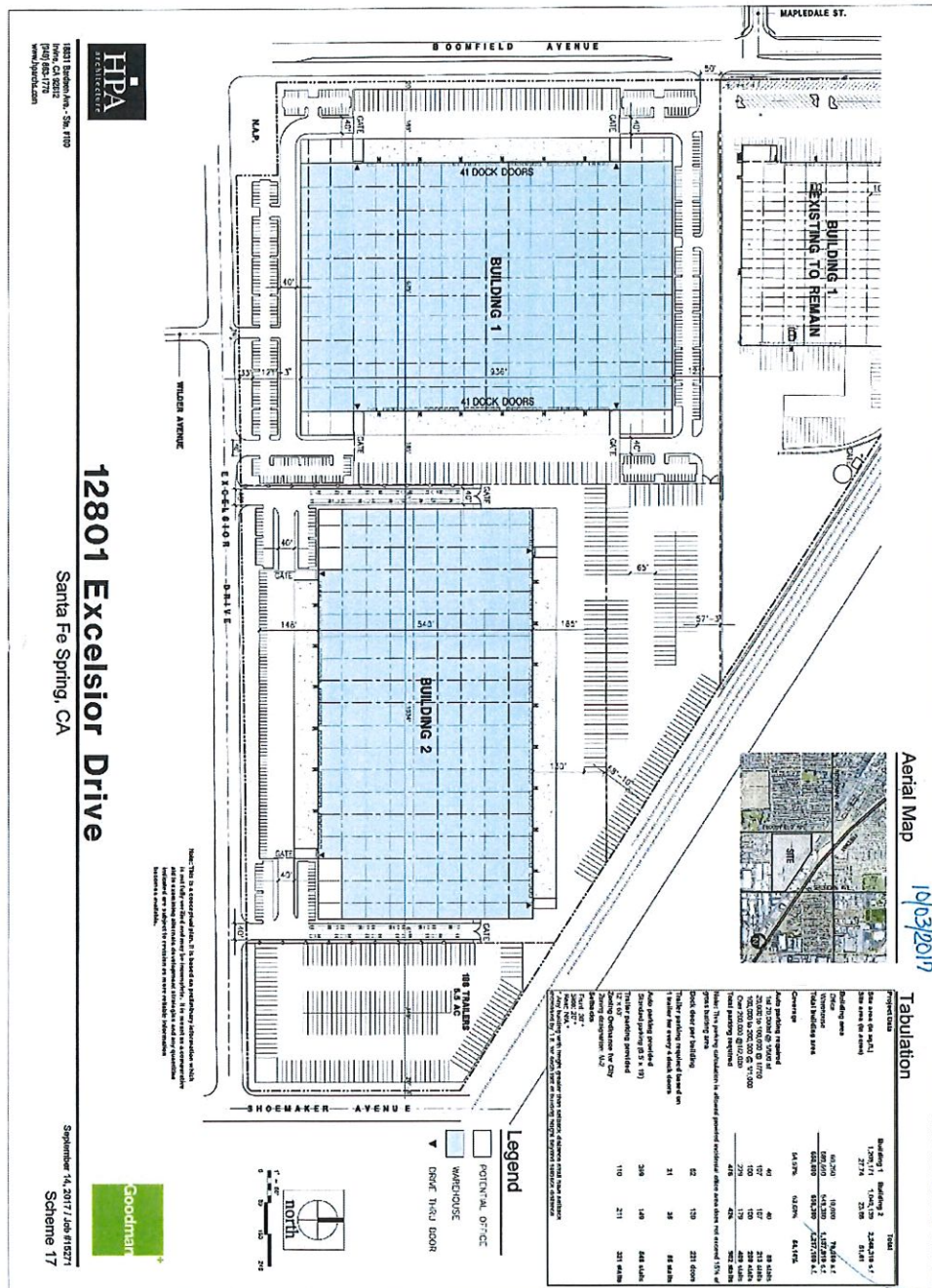
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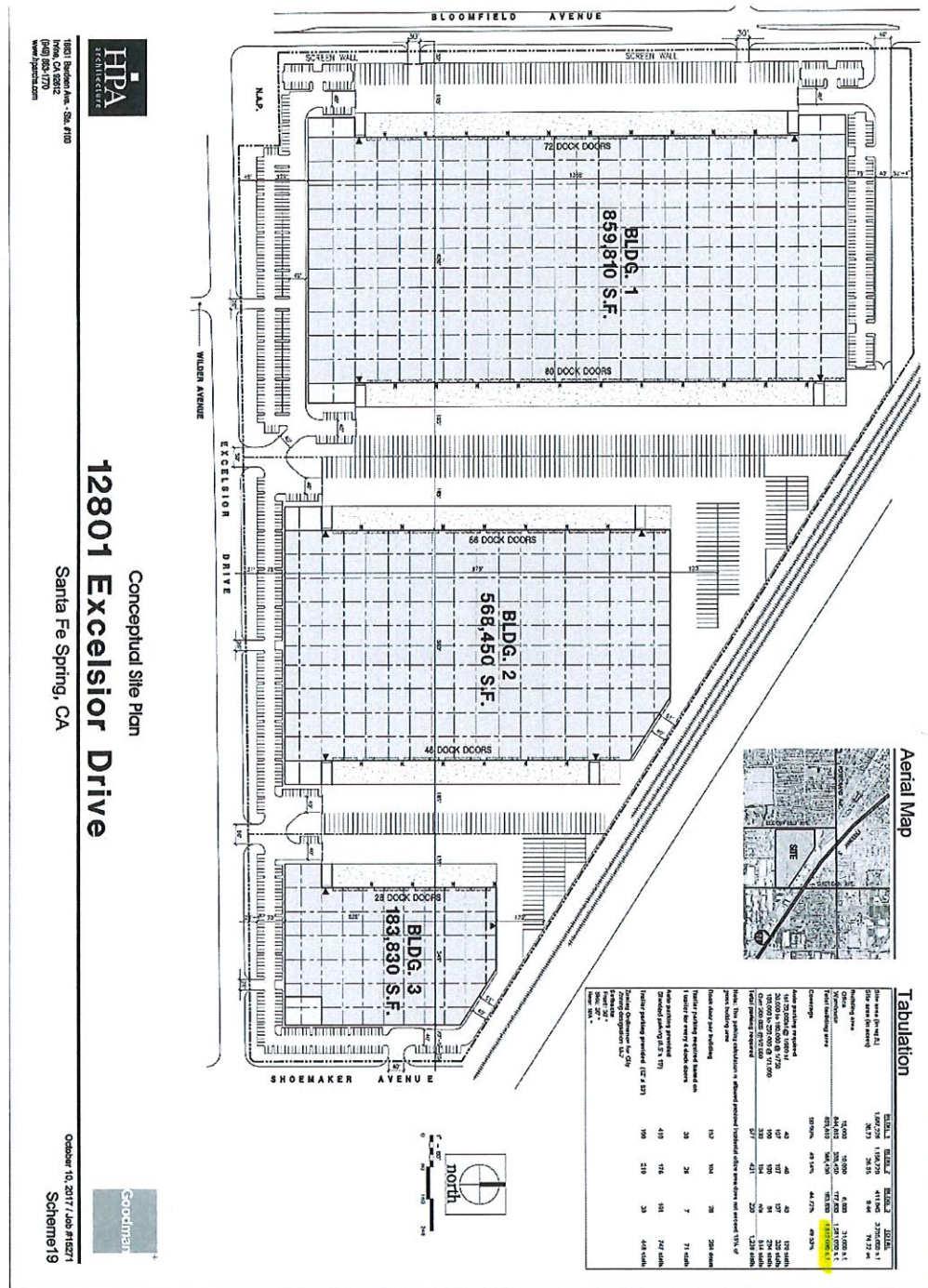
GOODMAN GATEWAY SANTA FE SPRINGS

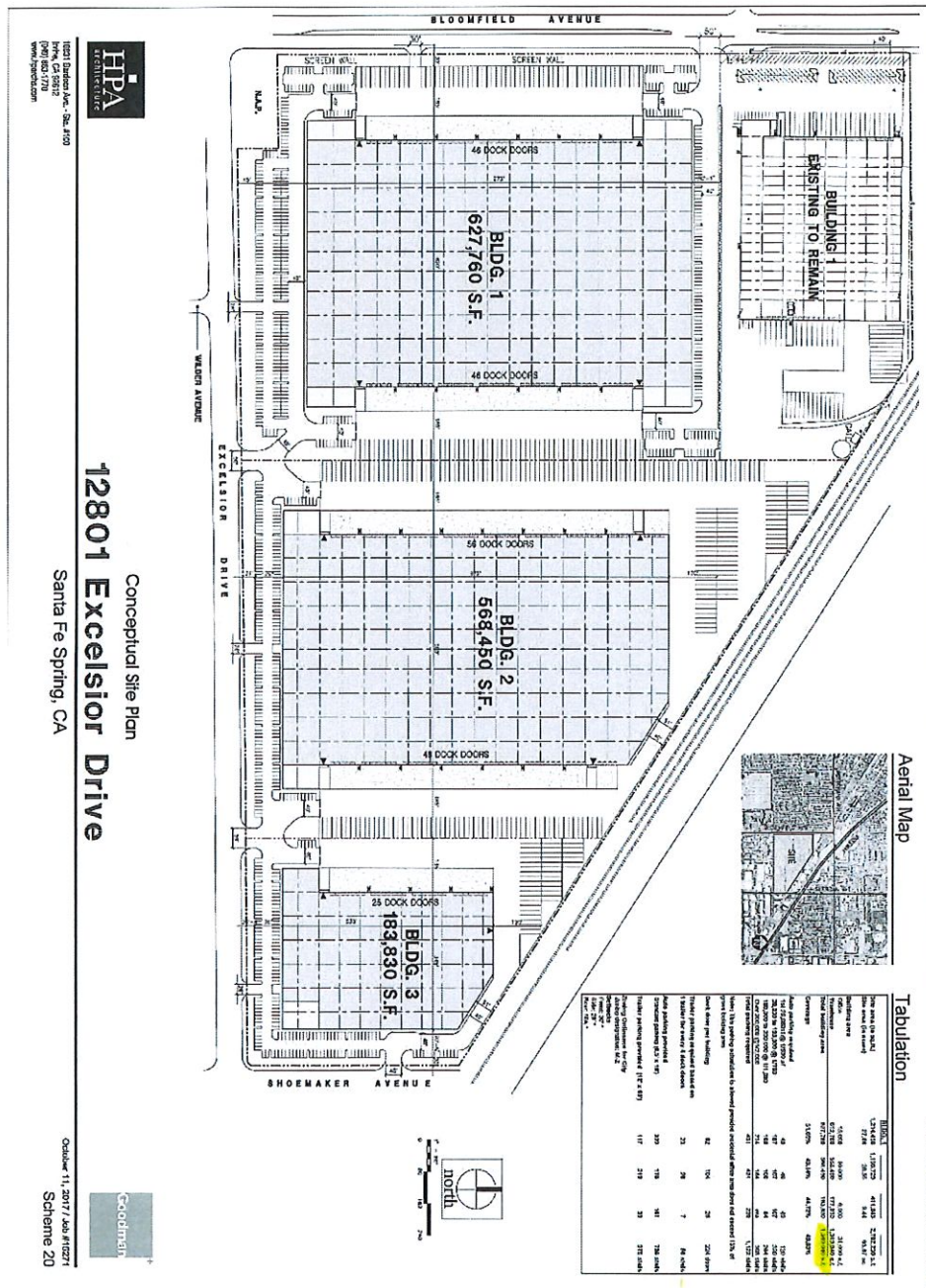
PROPERTY DETAILS		
Building 1	194,470 sqft	
Existing office	5,757	
Clear height	36'	
Dock doors	30	
Trailer parking	27	
Building 2 + 3	456,346 sqft	
Existing office	3,570	
Clear height	28	
Dock doors	73	
Trailer parking	127	
Building 4	203,465 sqft	
Existing office	10,553	
Clear height	26'	
Dock doors	57	
Trailer parking	20	
Building 5	69,552 sqft	
Existing office	5,821	
Clear height	25'	
Dock doors	24	
Trailer parking	14	
Building 6	65,576 sqft	
Existing office	202	
Clear height	30'	
Dock doors	18	
Trailer parking	20	













City of Santa Fe Springs

City Council Study Session

October 18, 2017

STUDY SESSION

Award of Contract to PGMC Company, Inc. for the Purchase and Installation of a New Fuel Dispenser at Fire-Rescue Headquarters

RECOMMENDATIONS:

That the City Council take the following actions:

1. That the City Council consider the following options:
 - a. Appropriate \$19,242.48 to the Non-Recurring (#9000) budget account from the City's General Fund Reserves, or
 - b. Appropriate \$19,242.48 to the Non-Recurring (#9000) budget account from the City's Risk Management Fund, or
 - c. Reclassify and move the project to the Capital Improvement Project (CIP) Program and fund all or partially from the City's General Fund CIP Fund.
2. Authorize an award of contract to PGMC Company, Inc. for the installation of a new Gasboy Fuel Dispensing System in an amount not to exceed \$54,242.48.

BACKGROUND

The Department of Fire-Rescue utilizes a combination unleaded and diesel fuel dispenser for the fueling of all Fire-Rescue emergency response apparatus and other Fire-Rescue vehicles. The existing faulty dispenser was installed in February 1995 at Fire-Rescue Headquarters. Fuel for the system is supplied by two underground fuel storage tanks (UST). The dispenser historically has had several repairs and has required maintenance that has been challenging over the past several years due to the age of the current dispenser and the lack of availability of replacement parts. In May 2017, the fuel dispenser for the diesel fuel portion of the pump failed requiring extensive mechanical repair. The parts required for repair were no longer available and maintenance vendors stated the dispenser was not economically feasible to repair. Per the maintenance vendor, we have received service for many years past the dispensers' expected service life of 15 to 20 years.

The Department's Environmental staff sought initial estimates in May 2017 for dispenser replacement that totaled approximately \$35,000 and from there, prepared a specification for pump replacement along with the necessary required components for the installation including plumbing of lines, electrical requirements, State-required soil sampling, required leak detection, and spill containment for the pump unit.

In August, 2017, tank testing for the system revealed that repairs would need to be made to the fuel system's secondary containment system, which is mounted to the tank. The current system failed State-mandated testing and is required to be repaired to current environmental standards. Bidders were asked to include costs for repairs to the secondary containment system, which would also require new



City of Santa Fe Springs

City Council Study Session

October 18, 2017

electrical installation for a sensor that is required under the dispenser. Costs for electrical tasks were not included in the original pump replacement scope of work, but were discovered during the job walk to replace the dispenser.

The additional issues requiring attention include footprint alignment (\$1,000), new electrical installation (\$4,300), tank sump and secondary containment repairs and testing (\$8,300). Combined, they increased the cost estimate beyond initial estimates for the replacement of the dispenser alone.

The Fire Chief requested the dispenser replacement be added to the non-recurring (#9000) account for the Fiscal Year 2017-18 budget in the amount of \$35,000. This action was approved by the City Council at the June 22, 2017 City Council meeting as part of the approval of the entire City budget. The additional repairs to the peripheral equipment is the reason for the requested additional allocation as the cost for replacement of the dispenser and repairs exceed the budgeted amount by \$19,242.48.

Below is a summary of the bids received for the equipment and installation of the fuel pump system:

<u>Vendor</u>	<u>Amount</u>
PGMC Company, Inc.	\$54,242.48
Petro Builders	\$56,743.00
MJK Construction	\$76,479.00

FISCAL IMPACT

A \$35,000 budget allocation from the non-recurring (#9000-4400) account is included in the FY 2017-18 approved budget. There are several funding options: 1) Appropriate \$19,242.48 from the City's General Fund Reserves, or 2) Appropriate \$19,242.48 from the City's Risk Management Fund, or 3) Reclassify and move the project to the Capital Improvement Project (CIP) Program, funding all or partially from the City's General Fund CIP Fund.


Don Powell
Interim City Manager

Attachment(s)

1. Department of Fire-Rescue RFP - "Under Dispenser Containment and Fuel Pump Replacement Project" Specification
2. PGMC Company, Inc. proposal quote
3. Picture of existing Fire Rescue fuel dispenser



11300 Greenstone Avenue • CA • 90670-4619 • (562) 944-9713 • Fax (562) 941-1817 • www.santafesprings.org

DEPARTMENT OF FIRE-RESCUE

REQUEST FOR PROPOSAL (RFP) UNDER DISPENSER CONTAINMENT AND FUEL PUMP REPLACEMENT PROJECT

DATE OF ISSUANCE: July 28, 2017

RESPONSE DUE DATE: August 28, 2017

Please mail or email a response to the RFP, clearly identified and addressed to the Project Contact.

PROJECT CONTACT:

Brenda ten Bruggencate
Deputy Director of Environmental Protection
Santa Fe Springs Fire-Rescue
11300 Greenstone Avenue
Santa Fe Springs, CA 90670
(562) 906-3812
brendanelson@santafesprings.org

PROJECT LOCATION:

Santa Fe Springs Fire-Rescue (SFSFR)
11300 Greenstone Avenue
Santa Fe Springs, CA 90670

TARGET START OF WORK DATE:

All work shall commence within ten (10) working days of issuance of the acceptance of the proposal or as agree upon by both parties. Work shall be conducted between the hours of 7:00 a.m. and 6:00 p.m. Monday – Friday.

TARGET PROJECT COMPLETION DATE:

The project completion date shall be within two weeks from the start of work date or as agreed upon by both parties.

TARGET CONTRACTOR SELECTION DATE:

Contractors who submit a RFP will be advised if they are selected within 10 days of the Response Due Date.

JOB WALK:

A job walk is scheduled for August 15, 2017 at 8:00 a.m. at the Project Location. An alternate date and time may be arranged by contacting the Project Contact.

OVERVIEW:

The City of Santa Fe Springs Fire-Rescue (SFSFR) is seeking RFPs to modify an existing underground storage tank (UST) system by removing one existing dual/dual (gasoline/diesel) product pump with a shallow under dispenser containment (UDC) pan and the connected below grade flexible piping connectors and replacing it with a new dual/dual (gasoline/diesel) product pump, one deep single walled UDC, and rigid double walled fiberglass connected piping. The new UDC shall be continuously electronically monitored in the interstitial space and connected to the existing Veeder Root TLS 350 monitoring system. An electronic fuel management system shall also be installed. A soil sample must be collected below the UDC and analyzed and a report summarizing the findings shall be provided.

William K. Rounds, Mayor • Jay Sarno, Mayor Pro Tem

City Council
Richard J. Moore • Juanita Trujillo • Joe Angel Zamora

City Manager
Thaddeus McCormack

The new installation must comply with underground tank requirements in the California Health and Safety Code Chapter 6.7, Title 23, Division 3, Chapter 16 of the California Code of Regulations, the 2016 California Fire Code, the 2016 Building Code, California Air Resources Board requirements, Occupational Safety and Health Administration (OSHA) requirements, and all applicable laws, regulations, codes, rules, ordinances and requirements. The Contractor shall be responsible for providing all of the labor, equipment, permits, inspections, passing required tests, completing and submitting reports and/or forms to the applicable agencies within required time frames, and any other items necessary to complete the scope of work.

UTILITIES:

It shall be the Contractor's responsibility to determine the exact location of underground utilities or substructures of every nature and to protect them from damage as required to accommodate the nature of the work contemplated. It is noted there is no known low voltage electricity at the dispensing pump island and the contractor is responsible for ensuring electricity is provide to operate the new equipment installed.

PERMITS AND INSPECTIONS:

The Contractor is responsible for submitting plans, securing all required permits and scheduling all required inspections with the appropriate agencies to complete the scope of work.

EXISTING UST SYSTEM:

The existing UST system consists of one split UST with two compartments. One compartment stores ultra-low sulfur diesel. The other compartment stores regular unleaded gasoline. Each compartment has separate double walled 3" over 2" Red Thread II fiberglass piping plumbed to an existing Gasboy dual/dual suction pump. The existing UDC and UDC monitoring system consists of shallow epoxy coated Bravo Box with a float and chain mechanism connected to the shear valve. The underground piping runs from the USTs transition from double walled fiberglass piping to the bottom of the shallow Bravo Box UDC with a braided stainless steel flex line in a "corrugated" style secondary containment connected with band clamps.

The dispenser pump sits on an approximately 6" thick concrete island. The existing UST monitoring system is a Veeder Root TLS 350 with A 208 sump sensors and a 420 annular space sensor. There is no low voltage electricity at the dispensing island. The existing hanging hardware including but not limited to hoses, breakaways, nozzles, and exterior filters shall be salvaged for reinstallation on the new dispenser.

SCOPE OF WORK:

The Scope of Work is attached and included in the RFP Bid Sheet (attached). All equipment installed shall be UL listed, approved by an independent testing organization in accordance with industry codes, voluntary consensus, standards, or engineering standards, or approved by an independent testing organization as required by the 2016 California Fire Code, the 2016 Building Code, Title 23, Division 3, Chapter 16, Section 2631(b) of the California Code of Regulations, the California Air Resources Control Board, and OSHA requirements as applicable.

CONTRACTOR LICENSING AND CERTIFICATON REQUIREMENTS:

- Class A or other appropriate CSLB License for working on underground storage tanks systems containing petroleum.
- ICC UST Installers Certification
- ICC Service Technician Certification
- Training Certification from equipment manufacturers
- A California Professional Geologist, California Certified Engineering Geologist, or a California Professional Civil Engineer with sufficient experience in soils.
- A copy of the above licenses and certifications shall be submitted with the Bid Sheet.

INSURANCE:

- Public Liability Insurance for injuries, including accidental death to any one person, in the amounts of not less than \$1 million; and subject to the same limit for each person; an account of any one accident in an amount of not less than \$2 million and Property Damage Insurance in the amount of not less than \$500,000.
- The Contractor shall take out and maintain Worker's Compensation Insurance during the life of this contract, worker's compensation insurance for all his employees engaged on or at the site of the project,

and in case any of his work is sublet, the Contractor shall require the subcontractor similarly to provide worker's compensation insurance for all of the latter's employees, unless such employees are covered by the protection afforded by the worker's compensation insurance carried by the Contractor.

- All Insurance certificates shall name the City of Santa Fe Springs as additional insured.
- A copy of the required insurance shall be provided before starting work.

PREVAILING WAGE:

This project shall be bid at prevailing wage. Any contract entered into pursuant to this notice will incorporate the provisions of the State Labor Code. Pursuant to the provisions of Section 1773.2 of the Labor Code of the State of California, the minimum prevailing rate of per diem wages for each craft, classification or type of workman needed to execute the contract shall be those determined by the Director of Industrial Relations of the State of California, which are on file at the City Hall, City of Santa Fe Springs, 11710 Telegraph Road, Santa Fe Springs, California 90670, and are available for review by any interested party on request at City Hall.

RFP REQUIREMENTS

- A cover page identifying the Contractor's information including names, address, telephone number and e-mail address.
- Copies of the Contractor's current CSLB license, UST ICC Installer's Certification, UST ICC Service Technician's Certification, Veeder Root training certificate, training certificate from the manufacturer of the secondary containment testing equipment, and any other required certificates.
- A completed RFP Bid Sheet with the price for each item listed.
- A listing and tabulation of other anticipated ancillary costs.

**REQUEST FOR PROPOSAL
BID SHEET**

UNDER DISPENSER CONTAINMENT AND FUEL PUMP REPLACEMENT PROJECT

**Santa Fe Springs Fire-Rescue
11300 Greenstone Avenue
Santa Fe Springs, CA 90670**

Business Name: _____

Address: _____

Phone Number: _____ E-mail: _____

Contractor License Number: _____ License Class: _____

Project Contact Name: _____ Phone Number: _____

All equipment installed shall be UL listed, approved by an independent testing organization in accordance with industry codes, voluntary consensus, standards, or engineering standards, or approved by an independent testing organization as required by the 2016 California Fire Code, the 2016 Building Code, Title 23, Division 3, Chapter 16, Section 2631(b) of the California Code of Regulations, the California Air Resources Control Board, and OSHA requirements as applicable. Prices shall include disposal of all related construction debris and waste. The installation work shall include restoring the site to proper operating condition for fuel dispensing.

1. Plans shall be submitted to the appropriate agencies for approval as required and permits shall be obtained and finalized.

Price \$ _____

2. Provide all materials, labor, and resources to remove the existing fuel pump, UDC, and appropriate piping. The hanging hardware on the existing dispenser shall be salvaged and reinstalled it on the new pump. Install a new Gasboy 9100K series or 9800K suction pump dispenser or equivalent, new shear valve, rigid Red Thread II fiberglass piping or compatible brand to connect to a new polypropylene or fiberglass deep UDC. The existing piping shall only be removed to the point to make a new piping connection with the remaining existing double walled piping. Saw cut existing dispenser island and concrete and remove backfill as needed to complete work. Replace backfill and restore concrete to match existing.

Price \$ _____

3. The footprint of the new dispensing pump shall match the open area of the new UDC as closely as possible. If the perimeter of the UDC and footprint of the dispensing pump do not align, the Project Contact must be advised and installation of an approved UDC Spill Control Containment Device is required.

Price \$ _____

4. The new UDC shall be monitored using an approved discriminating Veeder Root sump sensor, listed on the State Water Resources Control Board's Local Guidance Letter 113. It shall be programmed to provide an audible and visual alarm and shut down of the pump upon detection of gasoline or diesel. The monitoring system shall be programmed to provide audible and visual alarms when any water is detected and to shut down the pump at a water level determined by the SFSFR prior to programming the Veeder Root monitoring system. Provide all electrical necessary for the operation of the equipment. The location of the electrical lines or remote communication equipment are subject to the approval of the SFSFR. There is no low

voltage electricity at the pump island. The Contractor shall be responsible to provide the proper electric supply.

Price \$ _____

5. One soil sample shall be collected a minimum of two feet below the dispenser and analyzed for gasoline, diesel, and heavy end petroleum hydrocarbons using EPA method 8015(m) and all volatile organic compounds and oxygenates using EPA method 8260B. Sample collection shall be performed using EPA Test Method 5035. The soil sample shall be conducted in accordance with recognized practices. A UDC Closure Report summarizing the findings shall be provided and stamped and signed by a California Professional Geologist or equivalent.

Price \$ _____

6. Install one Gasboy Top Kat Fuel Management System or equivalent which performs and documents the following functions:

- The employee filling a vehicle
- The type of vehicle and vehicle number
- How many gallons of fuel are dispensed
- Vehicle mileage with the real time ability to alert staff as to service need
- System understanding of the fuel capacity of each particular vehicle (over pumped)
- MPG calculations to indicate an issue with performance
- Transmits data in real-time to:
City of Santa Fe Springs, Municipal Service Yard
12636 Emmens Way
Santa Fe Springs, CA 90670

The Contractor shall provide all electrical lines and communications necessary to transmit the above data to a remote location. There is no low voltage electricity at the pump island. The Contractor shall be responsible to provide the proper electric supply. The locations of the electrical and communication lines shall be subject to the approval of the SFSFR.

Price \$ _____

7. Required inspections and tests shall be completed, passed, and witnessed by the appropriate oversight agency as required. All test results shall be submitted to the appropriate oversight agency as required and also to the SFSFR within 30 days of the test. This includes but is not limited to, primary and secondary containment testing of piping, secondary containment testing of the UDC, and California Air Resources Control Board testing. Secondary containment testing shall be performed at the time of installation and six months after installation for the new equipment. The results of the secondary containment test shall be furnished on the State required form. A monitor certification shall be performed on the new sensor and those results shall be provided on the state Monitor Certification Form. Non-hazardous test fluids generated from secondary containment testing may be disposed of on-site provided the starting test fluid is fresh water.

Price \$ _____

8. Please attached a separate sheet itemizing ancillary items and their price (if applicable).

Price \$ _____

TOTAL PRICE: \$ _____

REQUEST FOR PROPOSAL
BID SHEET

UNDER DISPENSER CONTAINMENT AND FUEL PUMP REPLACEMENT PROJECT
Santa Fe Springs Fire-Rescue
11300 Greenstone Avenue
Santa Fe Springs, CA 90670

Business Name: DBA: PGM Company Inc.
Address: P.O. Box 5183, Culver City, CA, 90231
Phone Number: 310-367-8740 E-mail: June@pgmcompanyinc.com
Contractor License Number: 888695 License Class: A, Haz, B, C61/D40
Project Contact Name: June Park Phone Number: (310)367-8740

All equipment installed shall be UL listed, approved by an independent testing organization in accordance with industry codes, voluntary consensus, standards, or engineering standards, or approved by an independent testing organization as required by the 2016 California Fire Code, the 2016 Building Code, Title 23, Division 3, Chapter 16, Section 2631(b) of the California Code of Regulations, the California Air Resources Control Board, and OSHA requirements as applicable. Prices shall include disposal of all related construction debris and waste. The installation work shall include restoring the site to proper operating condition for fuel dispensing.

1. Plans shall be submitted to the appropriate agencies for approval as required and permits shall be obtained and finalized. (Permit Fees have been waived.)

Price \$ 3,000.00

2. Provide all materials, labor, and resources to remove the existing fuel pump, UDC, and appropriate piping. The hanging hardware on the existing dispenser shall be salvaged and reinstalled it on the new pump. Install a new Gasboy 9100K series or 9800K suction pump dispenser or equivalent, new shear valve, rigid Red Thread II fiberglass piping or compatible brand to connect to a new polypropylene or fiberglass deep UDC. The existing piping shall only be removed to the point to make a new piping connection with the remaining existing double walled piping. Saw cut existing dispenser island and concrete and remove backfill as needed to complete work. Replace backfill and restore concrete to match existing.

Price \$ 29,188.80

3. The footprint of the new dispensing pump shall match the open area of the new UDC as closely as possible. If the perimeter of the UDC and footprint of the dispensing pump do not align, the Project Contact must be advised and installation of an approved UDC Spill Control Containment Device is required.

(May not be required) Price \$ 1,000.00

4. The new UDC shall be monitored using an approved discriminating Veeder Root sump sensor, listed on the State Water Resources Control Board's Local Guidance Letter 113. It shall be programmed to provide an audible and visual alarm and shut down of the pump upon detection of gasoline or diesel. The monitoring system shall be programmed to provide audible and visual alarms when any water is detected and to shut down the pump at a water level determined by the SFSFR prior to programming the Veeder Root monitoring system. Provide all electrical necessary for the operation of the equipment. The location of the electrical lines or remote communication equipment are subject to the approval of the SFSFR.

There is no low voltage electricity at the pump island. The Contractor shall be responsible to provide the proper electric supply.

Price \$ 4,254.56

5. One soil sample shall be collected a minimum of two feet below the dispenser and analyzed for gasoline, diesel, and heavy end petroleum hydrocarbons using EPA method 8015(m) and all volatile organic compounds and oxygenates using EPA method 8260B. Sample collection shall be performed using EPA Test Method 5035. The soil sample shall be conducted in accordance with recognized practices. A UDC Closure Report summarizing the findings shall be provided and stamped and signed by a California Professional Geologist or equivalent.

Price \$ 1,376.47

6. Required inspections and tests shall be completed, passed, and witnessed by the appropriate oversight agency as required. All test results shall be submitted to the appropriate oversight agency as required and also to the SFSFR within 30 days of the test. This includes but is not limited to, primary and secondary containment testing of piping, secondary containment testing of the UDC, and California Air Resources Control Board testing. Secondary containment testing shall be performed at the time of installation and six months after installation for the new equipment. The results of the secondary containment test shall be furnished on the State required form. A monitor certification shall be performed on the new sensor and those results shall be provided on the state Monitor Certification Form. Non-hazardous test fluids generated from secondary containment testing may be disposed of on-site provided the starting test fluid is fresh water.

Price \$ 3,529.41

7. Replace a total of four sump penetrations with approved Bravo rigid secondary containment pipe penetrations in the diesel fill sump and the 87 gasoline fill sump. Fiberglass the area between the sump collar and tank to eliminate any leaks in that connection point. Perform secondary containment testing in each sump. Complete the Secondary Containment Testing Report Form and submit it to the SFSFR within 30 days of completing the test. A cut sheet of the rigid penetrations to be used shall be provided.

Price \$ 8,348.24

8. Please attached a separate sheet itemizing ancillary items and their price (if applicable).

Boom or Scissor Lift : \$1,000.00

Price \$ 3,545.00

Low Boy Dumpster : \$ 745.00

Compressor w/ Breaker : \$ 400.00

TOTAL PRICE: \$ 54,242.48

Forklift : \$ 400.00

Concrete : \$ 1,000.00



DIESEL
PERMANENTLY
OUT OF SERVICE
UNTIL REPLACED

GASOLINE OK TO
DISPENSE

DO NOT
DISPENSE
INTO
UNAUTHORIZED
CONTAINERS

NO SMOKING
STOP ENGINE

0.20
GALLONS
GAS