



CITY OF LONG BEACH

DEPARTMENT OF FINANCIAL MANAGEMENT

333 West Ocean Boulevard 6th Floor • Long Beach, CA 90802 • (562) 570-5400 • Fax (562) 570-5414

September 13, 2016

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt a Resolution authorizing the City Manager, or designee, to execute a contract with AECOM Technical Services, Inc., of Long Beach, CA, to provide groundwater monitoring and reporting at former City Fuel Sites 7, 10, 11, and 17, and provide services that will result in the accelerated removal of the contaminants at these sites, for a total contract amount of \$1,474,890, plus a 10 percent contingency in the amount of \$147,490, for a total amount not to exceed \$1,622,380, for a period of five years, with the option to renew for two additional one-year periods, including any necessary amendments thereto, provided that the total contract amount is not exceeded. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with AECOM Technical Services, Inc. (AECOM), to provide groundwater monitoring and reporting at former Fuel Sites 7, 10, 11, and 17, to provide services that will result in the accelerated removal of the contaminants at these sites, and to prepare reimbursement documentation for these actions as needed by the City.

The City has pursued cleanup and remediation at these inactive sites since 1994, when it was reported to the Certified Unified Program Agency within the Long Beach Health and Human Services Department that five fuel sites located in the City may be contaminating the groundwater. The Los Angeles Regional Water Quality Control Board (LARWQCB) opened cases against those facilities, requiring that groundwater monitoring, testing and reporting be conducted. Subsequently, fuel tanks at these five sites were removed. Furthermore, to ensure compliance with the LARWQCB's requirements, and to avoid civil liability penalties of up to \$1,000 per day, the City engaged contractors since then to monitor, test and report on these facilities at an average annual cost of \$100,000. One of the five original cases has been remediated and closed (Tree Farm – 7600 E. Spring Street), no longer requiring groundwater monitoring. The four contaminated facilities listed below currently remain in an "open case" status:

- Fire Station No. 7 – 2295 Elm Street
- Fire Station No. 10 – 1417 Peterson Avenue
- Fire Station No. 11 – 160 E Market Street

- Fire Station No. 17 – 2241-2247 Argonne Avenue

In an effort to bring the sites to closure, staff has proposed to move beyond monitoring and actually remediate the sites. AECOM has developed Accelerated Site Closure plans that focus on cleanup and remediation, above and beyond the monitoring and reporting currently being required by the LARWQCB, except that for Fire Station 7, the LARWQCB has issued a directive to take such action. The closure plans for each site will include:

- Design of a groundwater remedy in the form of a Remedial Action Plan.
- Installation of the groundwater remedy – Biosparging wells and equipment will be installed adjacent to former underground storage tanks (USTs) at a maximum depth of 40 feet below ground surface. Biosparging is a technology used to reduce concentrations of petroleum constituents in groundwater by introducing oxygen into the saturated zone to increase biodegradation and minimize volatilization.

The project should be complete in approximately seven years. Once these projects are completed, monitoring, testing and reporting requirements from the LARWQCB will cease. With ongoing monitoring and reporting costs of \$125,000 growing by an average of 3.2 percent annually, this is an estimated savings to the City of approximately \$1.5 million within ten years of project completion.

In addition to remediation and monitoring, AECOM has assisted the City with preparation and submission of reimbursement documentation of costs associated with the groundwater monitoring and reporting and accelerated closure plans. These costs are eligible for reimbursement via the California Underground Storage Tank Cleanup Fund (USTCF). This Fund provides reimbursement for expenses associated with the cleanup of leaking USTs.

AECOM has an extensive knowledge of the City's fuel facilities that is not easily transferrable to a new vendor and has provided excellent groundwater monitoring, testing and reporting services for the City for the past 11 years. This knowledge greatly enhances AECOM's ability to coordinate the reimbursement requests and communicate with the USTCF to clarify their requirements and provide information to support the City's reimbursement claims.

A competitive procurement is not feasible because recreating the case files, remediation plans, and background reimbursement research would be an extensive, drawn-out effort, and to do so would constitute an unproductive use of time and an unnecessary expenditure of public funds. Fleet Services' research of several other environmental firms specializing in UST remediation services revealed that AECOM's proposal is both economically competitive and extremely thorough.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by City Council.

This matter was reviewed by Deputy City Attorney Monica Kilaita on August 19, 2016 and by Assistant Finance Director Lea Eriksen on August 17, 2016.

SUSTAINABILITY

Accelerated closure of these four fuel sites dramatically lessens the possibility of further environmental contamination due to groundwater effects on the size of the underground petroleum product plume. Remediation actions reduce the contaminated area as well as the exudates from the ground wells. The City is taking a proactive approach to remediate all affected sites, not only Fire Station No. 7 as mandated by the LARWQCB. As a result, the City will benefit from a cleaner, safer environment.

TIMING CONSIDERATIONS

City Council action to adopt the attached Resolution and award a contract concurrently is requested on September 13, 2016, to ensure that a contract is in place expeditiously.

FISCAL IMPACT

The total contract amount will not exceed \$1,622,380 for a five-year term. Anticipated costs for FY 17 are \$249,670. Sufficient funding for FY 17 is budgeted in the Fleet Services Fund (IS 386) in the Financial Management Department (FM). Funding for subsequent years will be requested as part of the annual budget process. The costs are recovered through monthly user charges billed to customer departments through the Fleet MOU. In addition, these costs are eligible for reimbursement from the State's USTCF for expenses associated with cleanup of leaking fuel storage tanks. The award of this contract will provide continued support to our local economy by assisting in the preservation of employment for 75 full-time employees residing in Long Beach.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
333 West Ocean Boulevard, 11th Floor
Long Beach, CA 90802-4664

1 RESOLUTION NO.
2

3 A RESOLUTION OF THE CITY COUNCIL OF THE
4 CITY OF LONG BEACH AUTHORIZING THE CITY
5 MANAGER TO EXECUTE A CONTRACT WITH AECOM
6 TECHNICAL SERVICES, INC., WITHOUT ADVERTISING
7 FOR BIDS, TO PROVIDE GROUNDWATER MONITORING
8 AND REPORTING AT FORMER CITY FUEL SITES 7, 10,
9 11, AND 17, AND TO PROVIDE SERVICES THAT WILL
10 RESULT IN THE ACCELERATED REMOVAL OF THE
11 CONTAMINANTS AT THESE SITES, FOR A TOTAL
12 AMOUNT NOT TO EXCEED \$1,622,380
13

14 WHEREAS, since 1994, the City has pursued cleanup and remediation at
15 inactive Fuel Sites 7, 10, 11, and 17, when it was reported to the Certified Unified
16 Program Agency within the Long Beach Health Department that fuel sites located
17 throughout the City may be contaminating the groundwater; and

18 WHEREAS, the Los Angeles Regional Water Quality Control Board
19 (LARWQCB) opened cases against those facilities requiring that groundwater monitoring,
20 testing and reporting be conducted, and, subsequently, the fuel tanks at these sites were
21 removed; and

22 WHEREAS, the City has engaged contractors since then to monitor, test
23 and report on these facilities to ensure compliance with the Water Board's requirements
24 and to avoid civil liability penalties; and

25 WHEREAS, AECOM Technical Services, Inc., (AECOM) has provided
26 excellent groundwater monitoring, testing and reporting services for the City for the past
27 11 years; and

28 WHEREAS, AECOM, thus, has extensive knowledge of the City's facilities,

1 which cannot be easily transferable to a new vendor; and

2 WHEREAS, AECOM has developed Accelerated Site Closure plans that
3 focus on cleanup and remediation including City assistance with preparation and
4 submission of reimbursement documentation of costs associated with the groundwater
5 monitoring, reporting and accelerated closure plans; and

6 WHEREAS, there is a continuing need for groundwater monitoring and
7 reporting at former City Fuel Sites 7, 10, 11 and 17, and for services that will result in the
8 accelerated removal of the contaminants at these sites, therefore it would be more cost-
9 effective to contract with AECOM; and

10 WHEREAS, AECOM's cost proposal to provide groundwater monitoring
11 and reporting, and services that will result in the accelerated removal of the contaminants
12 at the aforementioned former fuel sites is both economically competitive and thorough;
13 and

14 WHEREAS, no useful purpose would be served by advertising for bids and
15 to do so would constitute an idle and useless act and an unnecessary expenditure of
16 public funds;

17 NOW, THEREFORE, the City Council of the City of Long Beach resolves as
18 follows:

19 Section 1. The above recitals are true and correct and are incorporated
20 herein.

21 Section 2. The City Manager is hereby authorized to enter a contract
22 with AECOM Technical Services, Inc., without advertising for bids to provide groundwater
23 monitoring and reporting at former City Fuel Sites 7, 10, 11 and 17, and provide services
24 that will result in the accelerated removal of the contaminants at these sites for a total
25 amount not to exceed One Million Six Hundred Twenty Two Thousand Three Hundred
26 Eighty Dollars (\$1,622,380).

27 Section 3. This resolution shall take effect immediately upon its adoption
28 by the City Council, and the City Clerk shall certify the vote adopting this resolution.

OFFICE OF THE CITY ATTORNEY
CHARLES PARKIN, City Attorney
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Long Beach, CA 90802-4664

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I hereby certify that the foregoing resolution was adopted by the City Council of the City of Long Beach at its meeting of _____, 2016 by the following vote:

Ayes: Councilmembers: _____

Noes: Councilmembers: _____

Absent: Councilmembers: _____

City Clerk