



# City of Costa Mesa

## Agenda Report

77 Fair Drive  
Costa Mesa, CA 92626

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**File #:** 22-925

**Meeting Date:** 11/15/2022

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**TITLE:**

**POLICE DEPARTMENT UNDERGROUND STORAGE TANK CLOSURE PROJECT,  
CITY PROJECT NO. 22-02**

**DEPARTMENT:** PUBLIC WORKS DEPARTMENT/ENGINEERING DIVISION

**PRESENTED BY:** RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

**CONTACT INFORMATION:** SEUNG YANG, P.E., CITY ENGINEER, (714) 754-5633

**RECOMMENDATION:**

Staff recommends the City Council:

1. Adopt plans, specifications, and working details for the Police Department Underground Storage Tank Closure Project, City Project No. 22-02.
2. Award a Public Works Agreement (PWA) to American Integrated Services, Inc., 1502 E. Opp Street, Wilmington, CA 90744 in the amount of \$156,680.
3. Authorize an additional ten percent (10%) contingency in the amount of \$15,668 as needed for any unforeseen costs related to this project.
4. Approve a budget adjustment authorizing the use of unappropriated fund balance in the Capital Improvement Fund (401) in the amount of \$48,616 and appropriate said funds to the Police Department Underground Storage Tank Closure Project (Project 200066).
5. Authorize the City Manager and City Clerk to execute the PWA and future amendments to the agreement within Council authorized limits.

**BACKGROUND:**

The Police Department Underground Storage Tank (UST) has been out-of-service for a few years. However, in accordance with County protocols, the UST is still being monitored and inspected on an annual basis as an active tank. By properly closing the UST, the City will no longer be obligated to monitor and inspect the tank on an annual basis.

The UST was previously used to store diesel fuel for the Police Department's old generator. The storage fuel tank, located on Vanguard Way in between the parkway and the west side of the Costa Mesa Police Department, has a capacity of 6,000-gallons.



**Police Department Underground Storage Tank  
(Current Location)**

### **ANALYSIS:**

The scope of work generally consists of providing environmental testing, utility investigation, structural assessment, geotechnical assessment, reporting, additional plans, permitting, and all construction work that will be required to safely close the existing Police Department UST. This UST closure will be permitted through the City's Building Department, Fire Department, and the Orange County Health Care Agency (OCHCA), Environmental Health Division.

The project begins with an investigatory assessment of the site where the selected contractor will coordinate with the engineers and conduct the environmental, structural, and geotechnical inspections and testing required per the requirements of the OCHCA. Assuming no unforeseen circumstances or complications, the UST closure will be approached as an abandon-in-place project, whereby the existing tank will be emptied, certified clean, and filled with a County approved concrete slurry mix before a formal closure report is filed with the OCHCA. If the UST cannot be abandoned-in-place, there is an option to remove the UST entirely, backfill and restore the area.

The City Clerk received and opened four (4) bids for this project on August 30, 2022. American Integrated Services, Inc. (A.I.S.) is the apparent low bidder with a bid proposal in the amount of \$156,680. The bid results are summarized in the bid abstract (Attachment 1).

Staff has determined that A.I.S. complied with the procedures and requirements as outlined in the project's bid documents and specifications.

The license and references of A.I.S. have been checked and staff has found them to be in good standing.

Upon City Council award of the PWA (Attachment 2), A.I.S. will furnish the necessary bonds and

insurance, which will be approved as to form by Risk Management. After the award and subsequent execution of the agreement, a "Notice to Proceed" will be issued.

Staff requests that City Council award the project to A.I.S. as the lowest responsible bidder.

A copy of specifications and working details are available for review in the Office of the City Clerk or in the Public Works Department, and are posted on the City's website at:

<https://www.costamesaca.gov/city-hall/city-departments/public-works/capital-improvement-projects>

**ALTERNATIVES:**

The alternative is to reject all bids, re-advertise, and re-bid the project. Staff has determined that re-advertising and re-bidding this project will result in significant delays and will not necessarily result in lower bids.

**FISCAL REVIEW:**

Funding for this project was originally budgeted in the FY 2021-22 Capital Improvement Project (CIP) budget in the amount of \$125,000. The current available budget in FY 2022-23 is \$123,733. Staff requests a budget adjustment, authorizing the use of unappropriated fund balance in the Capital Improvement Fund (401) in the amount of \$48,616 and appropriate said funds to meet the funding and contingency needs of the project. Any funds remaining at the end of the project will be returned to the CIP fund balance.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed this report, prepared the PWA, and approves them both as to form.

**CITY COUNCIL GOALS AND PRIORITIES:**

This item supports the following City Council Goals:

- Strengthen the Public's Safety and Improve the Quality of Life
- Maintain and Enhance the City's Infrastructure, Facilities, Equipment and Technology

**CONCLUSION:**

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Department Underground Storage Tank Closure Project (Project 200066).

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