

Honorable Mayor and Members
of the City Council
City Hall
Torrance, California

Members of the Council:

SUBJECT: Fire Chief and General Services- Approve an agreement amendment for City Yard aboveground storage tanks.

Expenditure: Not applicable

RECOMMENDATION

Recommendation of the Fire Chief and General Services Director that City Council approve a third amendment to agreement with Cornerstone Technologies (C2010-88) to extend the term from April 30, 2012 to April 30, 2013 for architectural and engineering services for the City Yard aboveground storage tanks.

Funding - Not applicable.

BACKGROUND/ ANALYSIS

The regulations governing underground storage tank systems have become increasingly complex and stringent over the past few years. As a result some of the City's systems are no longer in compliance with current regulations. The expense incurred with ongoing testing & certification of underground tanks, the frequent repairs necessary to outdated systems warranted a thorough renovation and upgrade of the City's underground storage tank systems. The Facilities, Equipment, Acquisition Plan (FEAP) 445 was created to address the deficiencies and upgrade the equipment. One of the projects under this FEAP is the Aboveground Storage Tank (AST) Installation at the City Yard.

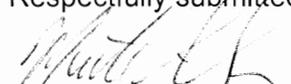
On May 4, 2010, your honorable body approved a contract award with Cornerstone Technologies for \$52,625 with a 5% contingency of \$2,631 for design of the aboveground storage tanks located at the City Yard. The scope of work consisted of developing engineering drawings and procedures for removal of 14 underground storage tanks (UST's) and some associated piping and mechanical equipment and engineering drawings and procedures to install 11 aboveground tanks (AST's) and associated waste oil collection systems for both the Transit and Fleet Services.

On September 21, 2010, your honorable body approved an amendment for \$8,431.64 after additional engineering services were identified to meet regulatory requirements for oil and lubricant storage.

Staff bid Installation of Aboveground Storage Tanks (AST) at Torrance City Yard (B2011-36) in September 2011 and opened bids in October 2011. Based on the lowest bid received of \$575,000 and the amount of available budget remaining in the FEAP of \$235,000, additional funding was necessary in order to move forward with this project. After exploring different funding sources it became apparent that federal grant funds would be used to fund a portion of the project. Because of this, prevailing wages would apply to this contract. Since the project was initially bid as a non-prevailing wage project, staff rejected all the bids received on December 6, 2011.

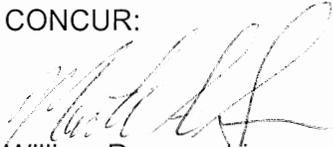
In the interim, staff focused on the 2nd project under this FEAP, the Phase II EVR (Enhanced Vapor Recovery) project also located at the City Yard fuel facilities. The project is currently bidding, with bids expected to be opened on April 26th. Once the Phase II EVR project has been awarded and funding sources identified for the aboveground tank project, the AST project will resume bidding. Therefore, staff is requesting Council approve a contract term extension with Cornerstone Technologies, Inc. (C2010-88) to extend the term from April 30, 2012 to April 30, 2013. The term will cover the funding phase, the bidding phase, and construction phase. No additional funds are necessary.

Respectfully submitted,


William Racowski
Fire Chief

By 
Martin Serna
Assistant Fire Chief

CONCUR:


William Racowski
Fire Chief


Sheryl Ballew
General Services Director


LeRoy J. Jackson
City Manager

Attachment A: Cornerstone Technologies Contract Amendment

THIRD AMENDMENT TO CONSULTING SERVICES AGREEMENT C2010-088

This Third Amendment to Consulting Services Agreement C2010-88 is made and entered into as of April 24, 2012 ("Effective Date") by and between the CITY OF TORRANCE ("CITY"), a municipal corporation, and Cornerstone Technologies, Inc., a California corporation ("CONSULTANT").

RECITALS:

- A. CITY and CONSULTANT entered into an Agreement on April 27, 2010, whereby CONSULTANT agreed to provide architectural, and engineering services of lubricant storage, dispensing and waste oil collection and storage systems and install above ground at the City Yard.
- B. On September 21, 2010 the Agreement was amended to add additional engineering services and to add \$8,895 to the amount of the contract.
- C. The Agreement was amended a second time as of April 27, 2011, to extend the term of the Agreement through April 30, 2012.
- D. CITY is satisfied with the level of services provided by CONSULTANT.
- E. Both parties wish to amend the Agreement to extend the term of the agreement for an additional year.

AGREEMENT:

- 1. Paragraph 2 entitled "TERM" is amended in its entirety to read as follows:
 - 1. **TERM**
Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through April 30, 2013.
- 2. Paragraph 20 entitled "NOTICE" is amended to revise CONSULTANT'S address for giving notice to the following:

CONSULTANT:	Cornerstone Technologies, Inc. 333 W. Broadway Suite 318 Long Beach, CA 90802
	Tel. (562) 494-9465 Fax: (562) 494-5296

3. In all other respects, Consulting Services Agreement C2010-088, dated as of April 27, 2010, as amended, is ratified and reaffirmed and remains in full force and effect.

CITY OF TORRANCE,
a municipal corporation

Cornerstone Technologies, Inc.,
a California corporation

By _____
Frank Scotto, Mayor

By _____
John R. Talbot
Principal

ATTEST:

Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By _____