

Council Meeting
May 4, 2010

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

Members of the Council:

SUBJECT: Fire Department and General Services- Award a consulting agreement for design of aboveground storage tank installation at the City Yard.

Expenditure: \$55,256

RECOMMENDATION

Recommendation of the Fire Chief and General Services Director that the City Council award a consulting agreement with Cornerstone Technologies, Inc. for \$52,625 with 5% contingency of \$2,631 for architectural and engineering services for the design of aboveground storage tanks at the City Yard.

FUNDING- Funding is available FEAP445- Underground Storage Tank Upgrades.

BACKGROUND

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 The expense incurred with ongoing testing & certification of underground tanks, the frequent repairs necessary to outdated systems, and the lost opportunity costs of systems out of order for extended periods of time warranted a thorough renovation and upgrade of the City's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.

ANALYSIS

The City has already accomplished several projects under FEAP 445 to comply with current regulations. Such as removal of underground fuel tanks at Fire Station #2 and Fire Station #6, installation of Phase II Enhanced Vapor Recovery (EVR) System at the Airport, Enhanced Leak Detection (ELD) tests at the City Yard, installation of pressure monitoring system at Transit fuel island, and conversion of unleaded fuel tanks to diesel tanks at Fire Stations #3 and #4.

There are two remaining projects to be accomplished under this FEAP, the installation of the Phase II EVR System at the City Services and Transit Fuel Island and the installation of the aboveground ground storage tanks at the City Services and Transit. Additional funding will be requested after the cost estimates for both projects are obtained. The remaining funds in the FEAP are considered insufficient for both projects based on preliminary research.

The scope of work for this project consists of removal the existing underground storage tanks and installation of aboveground tanks which store, motor oil, automatic transfer fluid, coolant, waste oil, gear oil, hydraulic oil for both Transit and Fleet Services. Currently staff at both locations is working with temporary storage systems until a permanent system is in place.

Fire Department personnel along with General Services interviewed three prospective consultants for the design of the aboveground storage tanks. The consultants were asked to provide a statement of qualifications and a cost proposal to include: the design, project cost estimate, and daily project oversight. Staff reviewed the statement of qualifications and contacted the references and found that Cornerstone Technologies, Inc. provided competitive cost proposal and a comprehensive statement of qualifications.

Therefore, the Fire Chief and the General Services Director recommend the City Council award a consulting agreement to Cornerstone Technologies, Inc. for \$52,625 with a 5% contingency for design and engineering of the installation of aboveground storage tanks at the City Yard.

Respectfully submitted,

SHERYL BALLEW
General Services Director



By Diane Megerdichian
Business Manager

CONCUR:



Sheryl Ballew
General Services Director



William Racowschi
Fire Chief



LeRoy J. Jackson
City Manager

Attachment A: Cornerstone Technologies, Inc. Contract

CONSULTING SERVICES AGREEMENT

This CONSULTING SERVICES AGREEMENT (“Agreement”) is made and entered into as of April 27, 2010 (the “Effective Date”), by and between the CITY OF TORRANCE, a municipal corporation (“CITY”), and Cornerstone Technologies, Inc., a California Corporation (“CONSULTANT”).

RECITALS:

- A. The CITY wishes to retain the services of an experienced and qualified CONSULTANT to provide architectural, and engineering services of lubricant storage, dispensing and waste oil collection & storage systems installed aboveground at the City Yard.
- B. In order to obtain the desired services, the CITY has circulated its Request for Proposal for Design of Lubricant Storage & Dispensing and Waste Oil Collection & Storage Systems, RFP No. Informal (the “RFP”).
- C. CONSULTANT has submitted a Proposal (the “Proposal”) in response to the RFP. In its Proposal CONSULTANT represents that it is qualified to perform those services requested in the RFP. Based upon its review of all proposals submitted in response to the RFP, the CITY is willing to award the contract to CONSULTANT.

AGREEMENT:

1. SERVICES TO BE PERFORMED BY CONSULTANT

CONSULTANT will provide the services and install those materials listed in CONSULTANT’s Proposal submitted in response to the RFP. A copy of the RFP is attached as Exhibit A. A copy of the Proposal is attached as Exhibit B.

2. 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 27, 2011.

3. COMPENSATION

A. CONSULTANT’s Fee.

For services rendered pursuant to this Agreement, CONSULTANT will be paid in accordance with the compensation schedule set forth in the Proposal; provided, however, that in no event will the total amount of money paid the CONSULTANT, for services initially contemplated by this Agreement, exceed the sum of \$ 52,625 (“Agreement Sum”), unless otherwise first approved in writing by the CITY.

B. Schedule of Payment.

Provided that the CONSULTANT is not in default under the terms of this Agreement, upon presentation of an invoice, CONSULTANT will be paid monthly, within 30 days after the date of the monthly invoice.

4. **TERMINATION OF AGREEMENT**

A. Termination by CITY for Convenience.

1. CITY may, at any time, terminate the Agreement for CITY's convenience and without cause.
2. Upon receipt of written notice from CITY of such termination for CITY's convenience, CONSULTANT will:
 - a. cease operations as directed by CITY in the notice;
 - b. take actions necessary, or that CITY may direct for the protection and preservation of the work; and
 - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONSULTANT will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
2. In the event this Agreement is terminated for cause by the default of the CONSULTANT, the CITY may, at the expense of the CONSULTANT and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due the CONSULTANT under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONSULTANT and its surety from liability for the default. Under these circumstances, however, the CONSULTANT and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.
3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONSULTANT or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONSULTANT or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the City determines to be so serious and compelling as to affect CONSULTANT's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONSULTANT has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. **RETENTION OF FUNDS**

CONSULTANT authorizes the CITY to deduct from any amount payable to CONSULTANT (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate the CITY for any losses, costs, liabilities, or damages suffered by the CITY, and all amounts for which the CITY may be liable to third parties, by reason of CONSULTANT's acts or omissions in performing or failing to perform CONSULTANT's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONSULTANT, or any indebtedness exists that appears to be the basis for a claim of lien, the CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of the CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONSULTANT to insure, indemnify, and protect the CITY as elsewhere provided in this Agreement.

7. **THE CITY'S REPRESENTATIVE**

Chief Ken Carter is designated as the "City Representative," authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by the CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONSULTANT.

8. **CONSULTANT REPRESENTATIVE(S)**

The following principal(s) of CONSULTANT are designated as being the principal(s) and representative(s) of CONSULTANT authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

John R. Talbot, Principal
David Andrien, Project Mgr.

9. **INDEPENDENT CONTRACTOR**

The CONSULTANT is, and at all times will remain as to the CITY, a wholly independent contractor. Neither the CITY nor any of its agents will have control over the conduct of the CONSULTANT or any of the CONSULTANT's employees, except as otherwise set forth in this Agreement. The CONSULTANT may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of the CITY.

10. **BUSINESS LICENSE**

The CONSULTANT must obtain a City business license prior to the start of work under this Agreement, unless CONSULTANT is qualified for an exemption.

11. **OTHER LICENSES AND PERMITS**

CONSULTANT warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**

By executing this Agreement, CONSULTANT warrants that CONSULTANT (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONSULTANT warrants that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONSULTANT discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONSULTANT must immediately inform the CITY of that fact and may not proceed except at CONSULTANT's risk until written instructions are received from the CITY.

13. **CARE OF WORK**

CONSULTANT must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until acceptance of the work by the CITY, except those losses or damages as may be caused by the CITY's own negligence.

14. **CONSULTANT'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**

Records of the CONSULTANT's time pertaining to the project, and records of accounts between the CITY and the CONSULTANT, will be kept on a generally recognized accounting basis. CONSULTANT will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to the CITY during normal working hours. CONSULTANT will maintain these records for three years after final payment.

15. INDEMNIFICATION

CONSULTANT will indemnify, defend, and hold harmless CITY, the Redevelopment Agency of the City of Torrance, the City Council, each member thereof, present and future, members of boards and commissions, its officers, agents, employees and volunteers from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONSULTANT, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONSULTANT's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONSULTANT and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONSULTANT will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONSULTANT will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

16. NON-LIABILITY OF THE CITY'S OFFICERS AND EMPLOYEES

No officer or employee of the CITY will be personally liable to CONSULTANT, in the event of any default or breach by the CITY or for any amount that may become due to CONSULTANT.

17. INSURANCE

A. CONSULTANT must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

- (1) Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
 - (a) Primary Bodily Injury with limits of at least \$500,000 per person, \$1,000,000 per occurrence; and
 - (b) Primary Property Damage of at least \$250,000 per occurrence; or
 - (c) Combined single limits of \$1,000,000 per occurrence.
- (2) General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
- (3) Professional liability insurance with limits of at least \$1,000,000 per occurrence.

(4) Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$1,000,000.

- B. The insurance provided by CONSULTANT will be primary and non-contributory.
- C. CITY ("City of Torrance"), the Redevelopment Agency of the City of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies.
- D. CONSULTANT must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.
- E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

18. SUFFICIENCY OF INSURERS

Insurance required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of the CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to the CITY, the CONSULTANT agrees that the minimum limits of any insurance policies and/or performance bond required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONSULTANT will have the right to appeal a determination of increased coverage by the Risk Manager to the City Council of the CITY within 10 days of receipt of notice from the Risk Manager.

19. CONFLICT OF INTEREST

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

20. NOTICE

A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:

- (1) Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
- (2) First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
- (3) Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
- (4) Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
- (5) Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

Addresses for purpose of giving notice are as follows:

CONSULTANT: Cornerstone Technologies, Inc.
1650 Ximeno Avenue, Suite 210
Long Beach, CA 90804

Fax: 562-494-5296

CITY: City Clerk
City of Torrance
3031 Torrance Boulevard
Torrance, CA 90509-2970
Fax: (310) 618-2931

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. **PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING**

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either the CITY or CONSULTANT without the prior written consent of the other.

22. **INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of the CITY and CONSULTANT as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. **INTERPRETATION**

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

24. **SEVERABILITY**

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. **TIME OF ESSENCE**

Time is of the essence in the performance of this Agreement.

26. **GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

27. **COMPLIANCE WITH STATUTES AND REGULATIONS**

CONSULTANT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

28. **WAIVER OF BREACH**

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

29. **ATTORNEY'S FEES**

Except as set forth in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

30. EXHIBITS

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

31. CONSULTANT'S AUTHORITY TO EXECUTE

The person(s) executing this Agreement on behalf of the CONSULTANT warrant that (i) the CONSULTANT is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONSULTANT; (iii) by so executing this Agreement, the CONSULTANT is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONSULTANT is bound.

CITY OF TORRANCE,
a Municipal Corporation

Cornerstone Technologies, Inc.
a California Corporation

Frank Scotto, Mayor

By: _____
John R. Talbot, Principal

ATTEST:

Sue Herbers, City Clerk

APPROVED AS TO FORM:

JOHN L. FELLOWS III
City Attorney

By: _____

Attachments: Exhibit A: RFP
 Exhibit B: Proposal

Revised..: 10/29/2008

EXHIBIT A
REQUEST FOR PROPOSALS

[To be attached]

**City of Torrance
Request for Proposals
Design of Lubricant Storage & Dispensing
and Waste Oil Collection & Storage Systems**

Scope of Work:

- Provide a complete design set (includes MEP, Structural, Civil if applicable) required to removed the existing underground product tanks and waste oil tanks located at the City of Torrance, City Yard 20500 Madrona Avenue; and,
- Design systems incorporating new aboveground lubricant storage tanks and all still-useful parts of existing lubricant dispensing systems in the Fleet Services and Transit Services shops; and,
- Design new waste oil collection and storage systems in the above shops, utilizing new aboveground storage tanks for waste product.
- Recommend specific equipment, compatible with any existing equipment to be left in place.

Proposals:

The proposal is due Thursday, December 3, 2009 by 5:00 PM

- The proposal must include:
 1. Total proposal amount for complete design (less the engineer's estimate)
 2. Cost to provide an engineer's estimate.
 3. Cost to provide construction administration- consultant to provide daily inspections of progress and compliance (not included in basic design requirements)
 4. Any exclusions to the proposal
 5. Provide a list of at least 3 references (include contact name, phone #, project name and brief project description, project amount).

You may email the bid proposal to Diane Megerdichian at dmegerdichian@TorranceCA.gov or fax to 310-781-7199

A hard copy must be mailed to:
Diane Megerdichian
3350 Civic Center Drive
Torrance, CA 90503

A job walk will be held on **Thursday, November 19, 2009 at 1:30 PM** at the City Yard, located 20500 Madrona Avenue, Torrance, CA 90503.

Some of the elements included in the design include:
 Consultant to specify air-actuated pumps and gauges for both facilities

At the City Services Facility (Fleet Services), there are to be incorporated into the design three (3) Waste Oil collection stations: two (2) free standing and one (1) wall-mount

At the Transit Facility there are to be incorporated into the design two (2) free standing waste oil collection stations: Two (2) Free Standing collection stations. All underground piping from the Transit pumps to the Transit Fuel Island must be removed and replaced. The pumps in the Transit facility will be relocated to outside the facility, against the E wall; all lines must be accordingly relocated.

Class IIIB Combustible Liquids (Used Oil) 12,000 gallons or less only

The tanks shall comply with the California Fire Code Chapter 27, 31 and 34 with Secondary containment, spill control and labeling. Also with NFPA

Below are the required distances for the new locations of the aboveground tanks per the City of Torrance Fire Department.

- Minimum distance from a building: 5'
- Minimum distance from fueling facility: 25'
- Minimum distance from a lot line: 10'
- Minimum distance from a public way: 5'
- Minimum distance between tanks: 3'

Design Requirements

1. Design to construction budget. If bids exceed budget by more than 15%, then redesign modifications at no additional cost. This includes subcontractor design elements.
2. Retain additional design Architect/Engineer firms as necessary (Structural, Civil, EE, ME, etc.) as part of fixed fee.
3. Provide 5 sets of drawings and specifications for review by Fire Department 100% (pre-plan check)
4. Submit completed design drawings directly to the Community Development Department (Building Department) and Fire Department for plan check. 2 full sets, separated by architectural, mechanical and electrical
5. Track progress during the plan check process.
6. Provide copies of all plan check or other comments provided by Community Development Department and during the project.
7. Provide 1 full set for reproduction after plan check approval and corrections and modifications are made. (1 hard copy-bond and 1 record copy CD ROM- AutoCad Format)
8. Provide specifications in Construction Specification Institute (CSI) 16-section format submitted in MS Word (disk/CD or hard copy-loose leaf).

9. Specifications must include section 1 – General Requirements.
10. Attend job walk/preconference meeting with potential bidders.
11. Review and prepare response to contractor RFIs within 5 working days during bidding phase and 2 working days during construction.
12. Review and prepare response to design or code change proposals within 5 working days during bidding and construction phases.
13. Provide cost estimates for design or code change proposals within 5 working days during bidding and construction phases.
14. Review and approve equipment and materials submittals with 7 calendar days.
15. Attend bi-weekly progress meetings at job site during construction.
16. Attend and provide input on the final inspection.
17. Review and provide comments on the final punch-list/walk-through.

Other

1. The City prefers design proposals based on a **fixed fee**.
2. A City Business License is required.
3. The contract will use City's standard contract format. We do not use the AIA design contract formats.
4. City staff normally does not coordinate the plan check review process for the A/E during plan check. There are no waivers given by the Building Department because it is a City project; however no fees are charged for City projects.
5. City does not pay for the following expenses
 - Telephone calls
 - Mileage
 - Transportation
6. Printing and duplication costs should be included as part of the fixed fee proposal.

Exclusions

1. Survey/Soils work to be contracted separately by the City on an as needed basis.

Once the consulting contract has been awarded, a typical construction project design schedule includes:

- **1st scope meeting** (layout, equipment, hardware)
14 days to single line
- **2nd scope meeting (finalize any modifications – and materials/equipment to be used)**
35 days to architectural
35 days to mech/elec/plumb/structural (concurrently)
35 days to complete specifications (concurrently) – submit for Fire Department review
- **100% Review by City – Fire Department (approximately 2-3 weeks)**
14 days to final
- **Submit to Plan Check**
7 days to resubmit corrections to plan check
- **Plan check approval**
7 days to provide final drawings and specifications for bidding

ADDENDUM #1

**CITY OF TORRANCE
3031 Torrance Blvd.
Torrance, CA 90503**

RFP- Informal

**To Provide Design Services for the Aboveground Lubricate Storage &
Dispensing and and Waste Oil Storage Systems at the City Yard**

ADDENDUM # 1

THE FOLLOWING CHANGES ARE HEREBY INCORPORATED INTO AND MADE A MANDATORY PART OF SUBJECT BID:

PROPOSAL DUE BY THURSDAY, DECEMBER 3RD BY 5:00 PM

CLARIFICATION: The proposal and associated line item costs should include:

#1- COMPLETE DESIGN- This covers all of the design requirements as outlined in the RFP. Such as but not limited to: the drawings, specifications (CSI format), attending the job walk, answering RFI's during the bidding and the construction periods, attending a bi-weekly construction meeting, reviewing change orders (if requested by the City), attend the final walk through and producing the punch list from the final walk through for distribution to attendees.

#2- ENGINEER'S ESTIMATE- We are not looking for the actual engineer's estimate at this time just the cost to do an engineer's estimate (this should be separate cost from #1).

#3- CONSTRUCTION ADMINISTRATION- This would be in addition to the basic design requirements above, a separate line item. This would encompass you acting as the City representative (or project manager) during the course of construction by performing daily AND/or weekly site visits (provide a cost for both). This would include but not limited to: maintaining a daily inspection report (if performing daily site visits), providing at weekly updates to Fire Department staff, and troubleshooting any problems that may arise during the course of construction. Please provide a description of the scope of work you would perform under this section.

ADD: #6 on the Proposal requirements- Provide a timeline for how long it will take you to produce biddable drawings with the associated specifications (CSI Format) for plan check review by Fire Department, Building Department and City Staff.

November 25, 2009

Please return this addendum with your bid proposal.

I hereby acknowledge receipt of this addendum.

Name of Company

Address

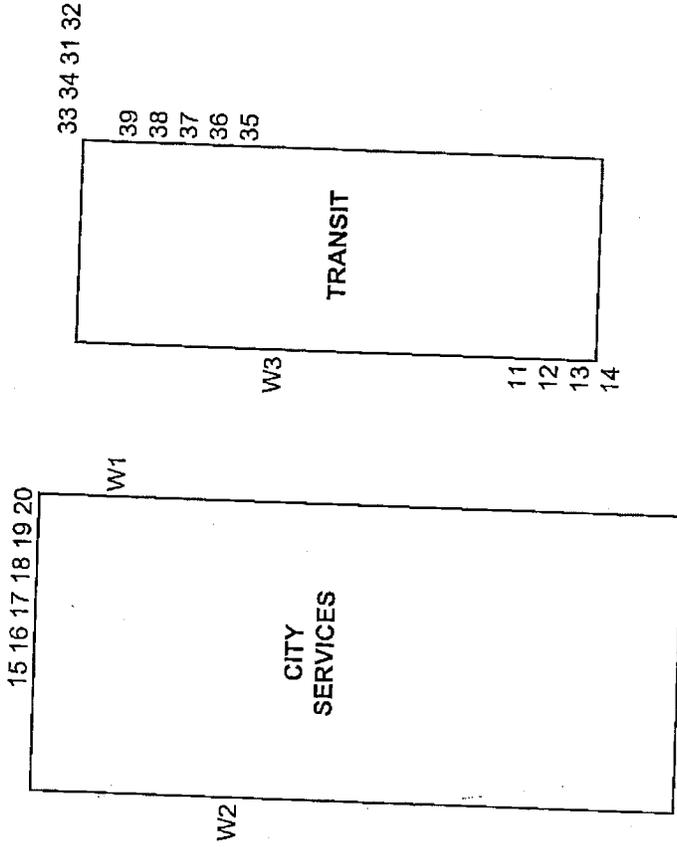
City State Zip Code

Existing Locations

CITY YARD

UNDERGROUND STORAGE TANKS

TANK #	LOCATION	CONTENTS	CAPACITY (gallons)
Fleet Services' Tanks			
11	NW of Transit	Unleaded gasoline	20,000
12	NW of Transit	Unleaded gasoline	20,000
13	NW of Transit	Ultra-low sulfur diesel	20,000
14	NW of Transit	Ultra-low sulfur diesel	20,000
X 15	ESE of City Services	Hydraulic oil	1,000
X 16	ESE of City Services	Motor oil (15W40)	1,000
X 17	ESE of City Services	Gear oil (85W140)	550
X 18	ESE of City Services	Coolant	550
X 19	ESE of City Services	Automatic Transmission Fluid	550
X 20	ESE of City Services	Empty	550
X W1	S of City Services	Waste Oil	2,500
X W2	N of City Services	Waste Oil	2,500
Transit's Tanks:			
31	SE of Transit	Ultra-low sulfur diesel	10,000
32	SE of Transit	Unleaded gasoline	10,000
33	SE of Transit	Ultra-low sulfur diesel	20,000
34	SE of Transit	Ultra-low sulfur diesel	20,000
X 35	SSE of Transit	Gear oil (85W140)	550
X 36	SSE of Transit	Empty	550
X 37	SSE of Transit	Automatic Transmission Fluid	1,000
X 38	SSE of Transit	Motor oil (15W40)	1,000
X 39	SSE of Transit	Coolant	550
X W3	N of Transit	Waste Oil	2,500



**CITY OF TORRANCE
TANKS TO BE REMOVED/REPLACED**

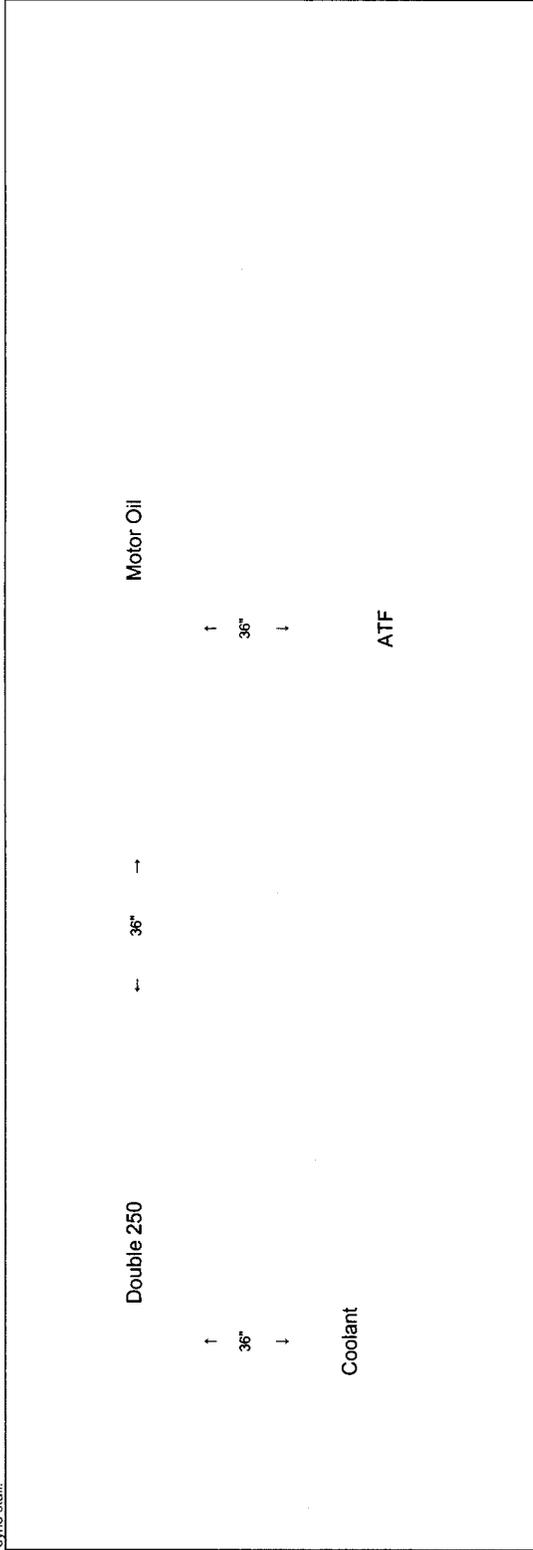
USTs to be REMOVED

<u>ID #</u>	<u>LOCATION</u>	<u>CAPACITY</u>	<u>PRODUCT</u>
15	City Services (Fleet)	1K gal.	Hydraulic Oil
16	City Services (Fleet)	1K gal.	Motor Oil
17	City Services (Fleet)	550 gal.	Gear Oil
18	City Services (Fleet)	550 gal.	Coolant
19	City Services (Fleet)	550 gal.	ATF
20	City Services (Fleet)	550 gal.	Empty
W1	City Services (Fleet)	2.5K gal.	Waste Oil
W2	City Services (Fleet)	2.5K gal.	Waste Oil
35	Transit	550 gal.	Gear Oil
36	Transit	550 gal.	Empty
37	Transit	1K gal.	ATF
38	Transit	1K gal.	Motor Oil
39	Transit	550 gal.	Coolant
W3	Transit	2.5K gal.	Waste Oil

AGTs to be INSTALLED

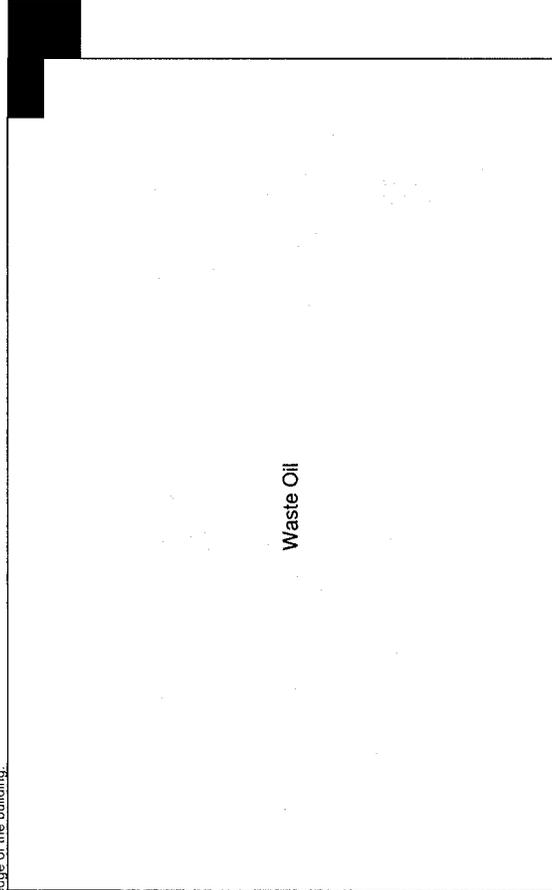
<u>ID #</u>	<u>LOCATION</u>	<u>CAPACITY</u>	<u>PRODUCT</u>
19	City Services (Fleet)	500 gal.	ATF
18	City Services (Fleet)	280 - 300 gal.	Coolant
17	City Services (Fleet)	250-280	Gear Oil
16	City Services (Fleet)	1,000 gallon	Motor Oil
W1	City Services (Fleet)	2,000 gallon	Waste Oil
15	City Services (Fleet)	250-280	Hydraulic Oil
37	Transit	500 gal.	ATF
39	Transit	280 - 300 gal.	Coolant
35	Transit	280 - 300 gal.	Gear Oil
38	Transit	1,000 gal.	Motor Oil
W3	Transit	3,000 gal.	Waste Oil

Behind the dyno stall.



This works with wall only 1' high!

At the SE edge of the building.



Wall will need to be 3' tall here...

Fleet Services
Possible Proposed Location

Behind the buildings



V
E
N
T

Car Oil & Coolant
250 / 250

36"

ATF
500

36"

15W/40

36"

Waste Oil

Transit
Possible Proposed Location

Waste Oil only ↓

Containment Solutions

Need	Tank Size	Lube Cube			Convault			Modern Welding		
		Length	Width	Height	Length	Width	Height	Length	Width	Height
1	Double 250	83	42	76	132	54	40	n/a	n/a	n/a
1	250 - 280	58	34	49	92	45.5	39	70	38	42
1	500	61	46	61	132	54	40	72	35	66
1	1000	112	48	61	132	68	52	132	35	66
1	2000	n/a	n/a	n/a	135	96	66	169	60	61

422

Lubes only 35.2 4 6.6

11.25 8 5.5

WO

Transit

1	120	37	34	37	102	45.5	39	n/a	n/a	n/a
2	280	58	34	49	132	54	40	72	35	66
1	Double 250	83	42	76	132	68	52	132	35	66
1	500	61	46	61	132	68	52	132	35	66
1	1000	112	48	61	135	96	87.5	248	60	61
1	3000	n/a	n/a	n/a						

EXHIBIT B

PROPOSAL

[To be attached]



CORNERSTONE TECHNOLOGIES, INC.
Environmental Consulting & Engineering

December 2, 2009 Revised 04-08-10

Ms. Diane Megerdichian
 Business Manager
City of Torrance
 General Services Department
 3350 Civic Center Drive
 Torrance, CA 90503
 Phone: (310) 781-7151
 Fax: (310) 781-7199

Project Site: Torrance City Yard

Proposal: **Design of Lubricant Storage and Dispensing and Waste Oil Collection and Storage Systems.**

Dear Ms. Megerdichian,

Thank you for the opportunity of providing this proposal regarding the above referenced project for your review. It is our understanding that the City of Torrance, herein referred to as "Client", wish to provide a quote to develop engineering drawings and procedures for the removal of 14 Underground Storage Tanks (UST's) and some associated piping and mechanical equipment and engineering drawings and procedures to Install 11 Above Ground Storage Tanks (AST's) and associated waste oil collection systems per the cities request for proposal including Addendum #1 issued on 11-25-2009.

Prior to performing any on-site construction work, Cornerstone must first obtain permits from the City of Torrance Building and Safety Department and Fire Department (Agency) Please review the following detailed scope of work.

SCOPE OF WORK

1.0 Prepare Engineering Drawings for Submittal to City of Torrance Fire Department for Approval

Cornerstone will prepare detailed plans and specifications to be used by others for obtaining the appropriate building and environmental permits for removal and installation of the new system.

This quote is dependent on agency approval and any changes not included in this proposal

but required by the agency, as a condition of permit issuance will be addressed as a separate item. Based on our experience we are certain that we can permit the aboveground lubricant storage and dispensing and waste oil collection and storage systems.

Since each site is specific, we believe in evaluating all projects on a site-specific basis. Once the design drawings and specifications are completed for each building, Cornerstone can commence with the plan check and plan approval process. The four drawings required for plan approval by the agency will be mechanical, structural and electrical drawings. Cornerstone will therefore complete the following:

Mechanical

1. Meet with the Design Team and Owner's Representative to review and confirm the Scope of Work and Services and develop a project schedule.
2. Visit the site. Record as-built conditions that will affect the work of this contract. Prepare a preliminary site plan for proposed system.
3. Evaluate the footprint of the proposed system and prepare conceptual design.
4. Upon completion of preliminary review of the appropriate agencies and in accordance with the Client, we will prepare the design and construction drawings for the Installation of the proposed tanks, dispensing, and collection systems.
5. In obtaining building department approval of the construction documents, respond to all applicable building department review comments.

Structural

The following scope of services relates to the structural portion of the project. Primarily this portion of the project is involved with process systems.

1. Review existing base building as-built drawings.
2. Coordination meetings.
3. Site visit to verify existing conditions.
4. Review as-built of the UST's and foundations in diagrammatic form.
5. Coordination with equipment vendors.
6. Complete working drawings.
7. Specifications for Foundation work.
8. Necessary plan check corrections.

Electrical

The following scope of services relates to the electrical portion of the project. Primarily this portion of the project is involved with process systems.

1. Review existing base building as-built drawings.
2. Coordination meetings.
3. Site visit to verify existing conditions.
4. Review as-built of the control system in diagrammatic form.
5. Coordination with equipment vendors.
6. Complete working drawings.
7. Specifications for electrical work.
8. Necessary plan check corrections.

Plumbing

The following scope of services relates to the plumbing portion of the project. Primarily this portion of the project is involved with process systems.

1. Review existing base building as-built drawings.
2. Coordination meetings.
3. Site visit to verify existing conditions.
4. Review as-built of the existing plumbing system in diagrammatic form.
5. Coordination with equipment vendors.
6. Complete working drawings.
7. Specifications for electrical work.
8. Necessary plan check corrections.

Construction Administration

The following scope of services relates to the Construction Administration line item. Primarily this portion of the project is oversight of in-field construction.

1. Perform pre construction meeting to discuss safety issues and construction schedule.
2. Upon start of construction perform daily and or weekly site visits as determined by city officials.
3. Maintaining a daily inspection report (if performing daily site visits) and provide weekly updates to Fire Department staff.
4. Troubleshoot any problems that may arise during the course of construction with in the scope of work.

Demolition and Removal of Underground Storage Tanks and Related Systems

The following scope of services relates to the removal of underground storage tanks (UST's) and related systems line item. The following is an outline of what will be contained in the work plan for in-field demolition. Draft work plans for the removal of underground storage tanks (UST's) and related systems. The following is a list of line items in Workplan.

1. A map detailing locations of UST's and related systems to be removed
2. A list of UST's and related systems to be removed.
3. A description of the UST removal process.
4. A description of the void backfill process and required compaction testing.
5. A description of the paving requirements.

Once the drawings and specifications for the system are completed we will commence with gaining approvals for all concerned agencies per RFP.

Assist City of Torrance in obtaining Permits from all Agencies

The following scope of services relates to obtaining permits from all Agencies line item.

1. Assist the City of Torrance in preparing, submitting, coordinating and obtaining approvals with all agencies for any and all permits, notifications and documentation required to complete demolition and construction plans.

3.0 AST Installation Reference #1

Cornerstone is uniquely qualified to complete this project. We have recently completed a much larger yet similar project for Toyota Motor Sales USA at the Toyota Logistic Services (TLS) facility located in Long Beach, California. Cornerstone removed three (3) 30,000 gallon underground storage tanks and replaced the entire fueling system with a completely aboveground unit.

This System was approved by:

State Water Resources Control Board (SWRCB)

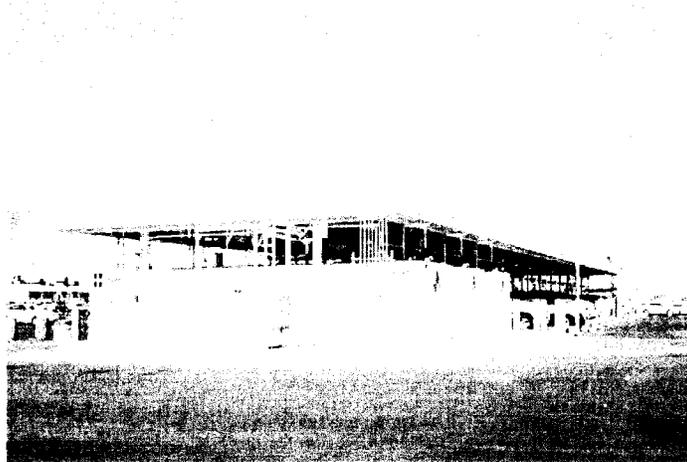
California Air Resources Board (CARB) Phase I and II

South Coast Air Quality Management District (SCAQMD)

City of Long Beach Fire Department (LBFD) Long Beach CUPA

City of Long Beach Department of Building and Safety & City of Ventura Department of Building and Safety

TOYOTA TLS Fueling Island



\$980,000 Design Build

For reference information please contact Bob Vezuto Toyota construction manager at (310) 941-7965.

AST Installation Reference #2

We have recently completed a project for BMW Ventura that involved demo and removal of an AST at one location, designing and build at another location at the same facility an above ground Diesel storage tank. Scope of work involved Demo, AST Design, Electrical, Foundation, Spill Pad Design, Plumbing and Fire Safety.

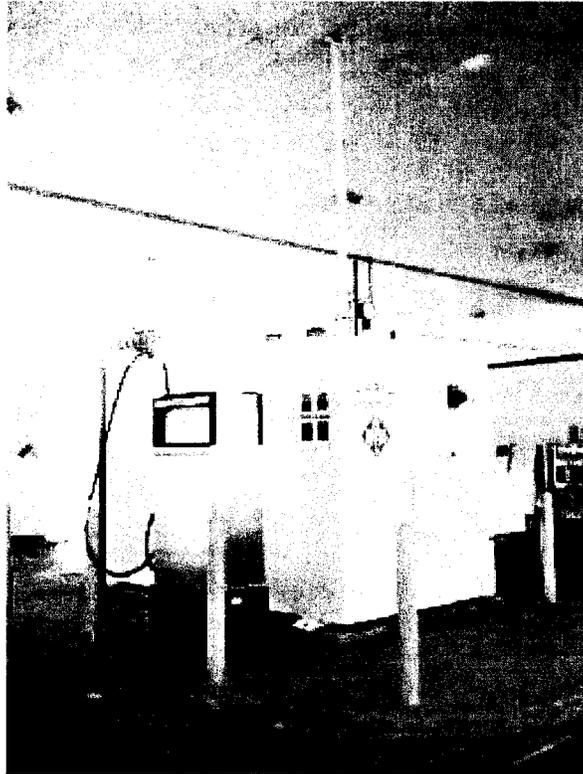
This System was approved by:

State Water Resources Control Board (SWRCB)

California Air Resources Board (CARB) Approved

City of Oxnard Fire Department (CUPA)

City of Oxnard Department of Building & Safety and Planning Department.



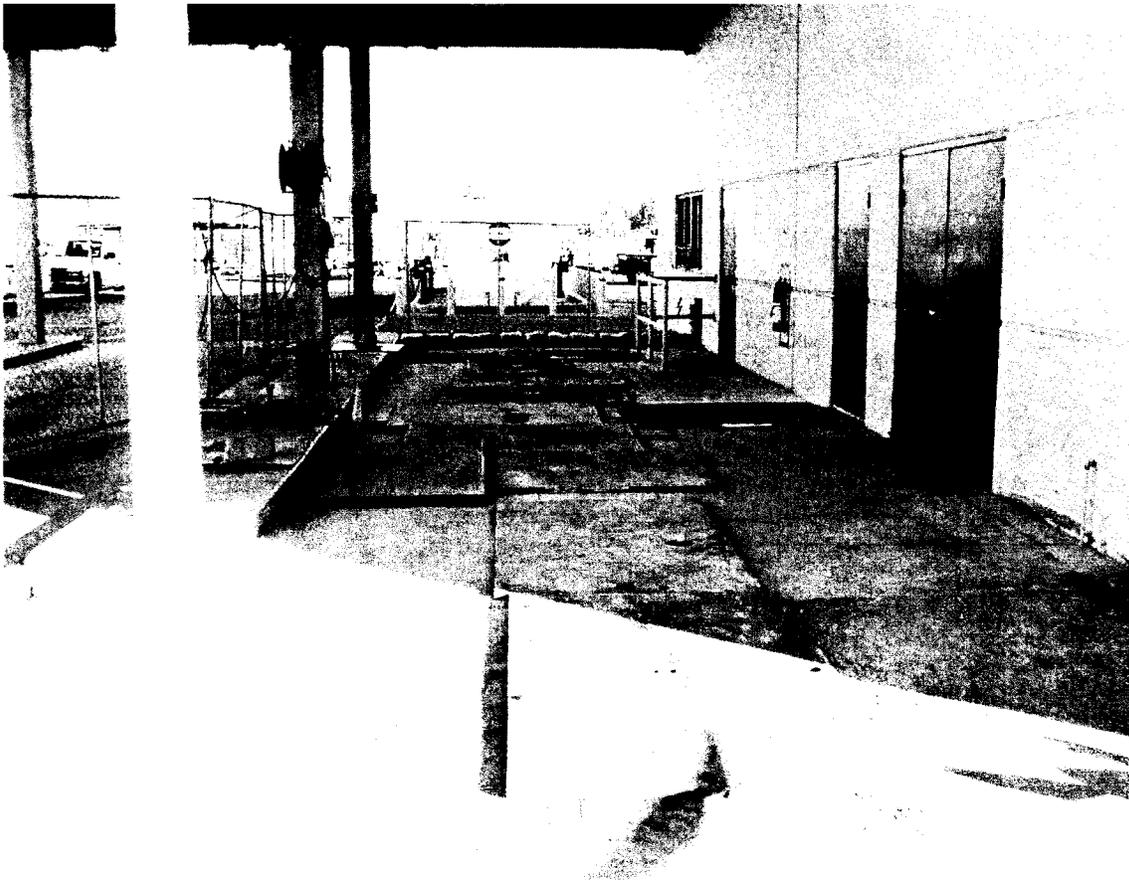
\$56,000 Design Build

For reference information please contact Erick Csorba (805) 271-2478
\$56,000

Cornerstone Technologies Inc. Designed for public bid per our specifications a Gas/Diesel AST and removed 5 underground storage tanks with associated piping and dispensers. We also abated lamp black material from a former coal gasification plant that was mixed with soil and used for backfill around the 5 UST's when they were installed.

This System was approved by:

State Water Resources Control Board (SWRCB)
California Air Resources Board (CARB) Phase I and II
South Coast Air Quality Management District (SCAQMD)
County of San Bernardino Fire Department
City of Colton Fire Department
City of Colton Department of Building and Safety



\$21,000 Engineering only.

For reference information please contact Victor Ortiz Engineering Manager City Of Colton Corporate Yard (909) 370-5065.

COST OUTLINE

Per Bid Specifications

- | | |
|---|-----------------|
| 1. Total proposal amount for complete design (less the engineer's estimate): | \$24,350 |
| 2. Cost to provide an engineer's estimate: | \$ 4,875 |
| 3. Cost to provide construction administration consultant to provide daily inspections of progress and compliance: Daily \$1,100; Weekly 3,900 | \$ N/A |
| 4. Any exclusions to the proposal; See following list. | |
| <ul style="list-style-type: none"> • Miscellaneous permit fees and/or specials assessments are not included in overall price. • No assessment or removal of hazardous materials. • No unforeseen conditions. • City of Torrance to provide the following existing plans: Site Plans, Building Plans, Foundation Plans, Mechanical Plans, Electrical Plans in hard copy and CD Rom - Auto Cad file. • Also excluded are but not limited to Surveying, Shoring Design, Soils Report or additional site testing that may be required to complete the plans. | |
| 5. Provide a list of at least 3 references (include contact name, phone #, project name and brief project description, project amount). See Above | |
| 6. Provide a timeline for how long it will take you to produce biddable drawings with the associated specifications (CSI Format) for plan check review by Fire Department, Building Department and City Staff. Cornerstone estimates it will take approximately 2 Months to complete the engineering process. | |

FEE SCHEDULE
(Current as of January 2010)

Professional Services	Staff Engineer/Consultant	\$85.00/Hr.
	Project Engineer/Consultant	\$95.00/Hr.
	Senior Engineer/Consultant	\$125.00/Hr.
	Principal Engineer/Consultant	\$150.00/Hr.
Technical Services	Clerical	\$45.00/Hr.
	Technical Word Processor	\$60.00/Hr.
	Drafter/CAD Operator	\$75.00/Hr.
	Field Technician	\$65.00/Hr.
Litigation Support	Expert testimony in depositions, hearings, mediation, and trials will be charged at 200% of the above listed rates.	
Travel Time	Travel time will be charged at regular hourly rates for actual time involved.	
Equipment & Testing	4-Wheel Drive Truck	\$15.00/Hr.
	Automobile	\$0.44/Mile
	Geophysical Equipment	Separate Schedule
	Environmental Monitoring Equipment	Separate Schedule
	Other Computer Services	Separate Schedule
	Laboratory Testing	Separate Schedule
	Subcontractors	Cost Plus 15%

Cornerstone Technologies, Inc. reserves the right to revise its Schedule of Charges with changes in its practice.

OWNERSHIP OF DOCUMENTS

All Drawings, Specifications and other work products of the Engineer for this project are instruments of service for this project only and shall remain the property of the Engineer whether the project is completed or not. Re-use of any of the instruments of service of the Engineer by Owner or Architect on extensions of this project or any other project without permission of the Engineer shall not be permitted without prior written authorization.

The Owner/Architect recognizes that designs, plans, and data stored on electronic media including, but not limited to computer disk and magnetic tape, may be subject to undetectable alteration and/or uncontrollable deterioration. Owner/Architect therefore agrees that Cornerstone shall not be liable for the completeness or accuracy of any materials provided on electronic media after 60 days inspection period, during which time Cornerstone shall correct any errors detected by Owner/Architect.

REMODELING AND REHABILITATION LIABILITY DISCLAIMER

In as much as the remodeling and/or rehabilitation of an existing building requires that certain assumptions be made regarding existing conditions, and because some of these assumptions may not be verifiable without expending additional sums of money, or destroying otherwise adequate or serviceable portions of the building, the Owner agree; that, except for negligence on the part of the design professional, the Owner will hold harmless, indemnify and defend the Engineer from and against any and all claims arising out of the professional services provided under this agreement.

CONSTRUCTION REVIEW

The Engineer shall review Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Engineer shall visit the site at intervals appropriate to the stage of construction or as otherwise agreed by the Owner and Engineer in writing to become generally familiar with the progress and quality of the work- completed and to determine in general if the work is being performed in a manner indicating that the work completed will be in accordance with the Contract Documents.

However, the Engineer shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of the work. On the basis of on-site observations as an Engineer, the Engineer shall keep the Owner informed of the progress and quality of the work, and shall endeavor to guard the Owner against defects and deficiencies in the work.

Cornerstone is pleased to present this cost estimate and proposal for the Design of Lubricant Storage and Dispensing and Waste Oil Collection and Storage Systems project. Cost effective remedial services can be provided on-site in an expeditious manner. Should you have any questions or comments, please do not hesitate to call me at **(562) 494-9465 X206**.

Respectfully,
CORNERSTONE TECHNOLOGIES, INC.



John R. Talbot, REA
 Project Manager
 Environmental Project Manager



David Andrien
 Senior Project Manager

Attachment: City of Torrance addendum #1
 Cornerstone Fee Schedule

NOTICE

*This proposal is designed to provide accurate and authoritative information with regard to the subject matter covered. However, it is provided with the understanding that the contents reflect Cornerstone's (Cornerstone) best judgment in light of the information available at the time of preparation and the fact that judgments or opinions relating to unknown future events are called for. Cornerstone does not make any warranty, express or implied, or assume any liability with respect to use of, or damage resulting from the use of any data, information, and/or projections contained herein. The final report, and the data and information contained herein, are **PRIVILEGED & CONFIDENTIAL** and are provided for the sole and exclusive use of Client. The final report and its contents may not be shared, distributed, or copied for use by other companies, partnerships, or individuals without the express written authorization of Cornerstone Technologies, Inc*

ADDENDUM #1

CITY OF TORRANCE
3031 Torrance Blvd.
Torrance, CA 90503

RFP- Informal

**To Provide Design Services for the Aboveground Lubricate Storage &
Dispensing and and Waste Oil Storage Systems at the City Yard**

ADDENDUM # 1

THE FOLLOWING CHANGES ARE HEREBY INCORPORATED INTO AND MADE A MANDATORY PART OF SUBJECT BID:

PROPOSAL DUE BY THURSDAY, DECEMBER 3RD BY 5:00 PM

CLARIFICATION: The proposal and associated line item costs should include:

#1- COMPLETE DESIGN- This covers all of the design requirements as outlined in the RFP. Such as but not limited to: the drawings, specifications (CSI format), attending the job walk, answering RFI's during the bidding and the construction periods, attending a bi-weekly construction meeting, reviewing change orders (if requested by the City), attend the final walk through and producing the punch list from the final walk through for distribution to attendees.

#2- ENGINEER'S ESTIMATE- We are not looking for the actual engineer's estimate at this time just the cost to do an engineer's estimate (this should be separate cost from #1).

#3- CONSTRUCTION ADMINISTRATION- This would be in addition to the basic design requirements above, a separate line item. This would encompass you acting as the City representative (or project manager) during the course of construction by performing daily AND/or weekly site visits (provide a cost for both). This would include but not limited to: maintaining a daily inspection report (if performing daily site visits), providing at weekly updates to Fire Department staff, and troubleshooting any problems that may arise during the course of construction. Please provide a description of the scope of work you would perform under this section.

ADD: #6 on the Proposal requirements- Provide a timeline for how long it will take you to produce biddable drawings with the associated specifications (CSI Format) for plan check review by Fire Department, Building Department and City Staff.

November 25, 2009

Please return this addendum with your bid proposal.

I hereby acknowledge receipt of this addendum.

Cornerstone Technologies Inc.
Name of Company

1650 Ximeno Avenue, Suite 210
Address

Long Beach, CA 90804
City State Zip Code

CORNERSTONE TECHNOLOGIES, INC.

David Andrien
Senior Project Manager