

RESOLUTION NO. 1033

A RESOLUTION AWARDDING THE BID FOR AN UNDERGROUND FUEL STORAGE AND DISPENSING PROJECT.

WHEREAS, in May, 1986, the Environmental Protection Agency Underground Storage Tank (UST) program went into effect which required all existing fuel tanks to be registered and a timetable for compliance with the program standards was developed; and

WHEREAS, the City has three underground fuel storage tanks which were installed in 1981 for the purpose of dispensing fuel to the city's fleet and equipment and for providing a fuel source to the emergency power supply for the treatment plant; and

WHEREAS, as dictated by the Environmental Protection Agency and the Department of Environmental Quality Underground Storage Tank program, the city's tanks must be modified to comply with product release monitoring, leak detection, and spill and overflow containment before December 22, 1993; and

WHEREAS, bids were received for the scope of work necessary to obtain UST compliance for the City's fuel dispensing system; City Staff has reviewed the bids and recommends as outlined in the staff memorandum, marked Exhibit "A", attached hereto and incorporated herein; and

WHEREAS, the funding was approved in the 1992-93 budget and encumbered for this purpose.

NOW, THEREFORE, THE CITY OF WILSONVILLE RESOLVES AS FOLLOWS:

1. To proceed with the underground fuel storage dispensing project as outlined in the attached Exhibit "A" in order to bring all existing UST facilities into compliance.
2. To document a long range plan for fuel storage and dispensing which complies with federal regulations and meets the need of all City departments.
3. To award the bid to the low bidder, Bighaus Petroleum and Mascott Equipment in the amount of \$22,252.42.

4. Authorized the expenditure of funds for this contract from the FY '92-'93 budget:

<u>ACCOUNT NO.</u>	<u>AMOUNT</u>
2000-1-7102500	\$23,000

CONSIDERED by the City Council of the City of Wilsonville at a regular meeting thereof the 2nd day of August, 1993, at which time the Resoltuion was continued to August 16, 1993.

ADOPTED by the City Council of the City of Wilsonville at a regular meeting thereof the 16th day of August, 1993, and filed with the Wilsonville City Recorder this date.



GERALD A. KRUMMEL, Mayor

ATTEST:



VERA A. ROJAS, CMC/AE, City Recorder

SUMMARY of Votes:

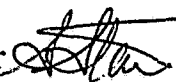
Mayor Krummel	<u>AYE</u>
Councilor Van Eck	<u>AYE</u>
Councilor Carter	<u>AYE</u>
Councilor Lehan	<u>AYE</u>
Councilor Hawkins	<u>AYE</u>

Exhibit "A"

City of
WILSONVILLE
in OREGON



30000 SW Town Center Loop E
Wilsonville, Oregon 97070
FAX (503) 682-1015
(503) 682-1011

DATE: July 28, 1993
TO: Honorable Mayor and City Councilors
FROM: Steve Starner, Public Works Director 
RE: Underground Fuel Storage and Dispensing Project

Summary:

As a component of the 1981 Wastewater Treatment Plant upgrade, three underground fuel storage tanks were installed for the purpose of dispensing fuel to the city's fleet and equipment, and for providing a fuel source to the emergency power supply for the treatment plant. As dictated by the EPA and DEQ Underground Storage Tank Program (40 CFR parts 280 and 281), the city's tanks must be modified to comply with product release monitoring, leak detection, and spill and overflow containment before December 22, 1993.

Recommendation:

1. Proceed with the underground fuel storage and dispensing project as outlined below (option 2).
2. Prior to fiscal year 1994-1995, document a long range plan for fuel storage and dispensing which complies with federal regulations and meets the need of all city departments. The plan should include cost estimates and an implementation schedule which would be achievable before December 22, 1998.

Council Action Requested:

Based on the competitive bids received, authorize staff to proceed with the Underground Fuel Storage and Dispensing Project as outlined.

Background:

The city's three underground fuel storage tanks were installed during the construction of the 1981 treatment plant expansion. One 1,200 gallon tank, containing diesel fuel, is designed as a direct-feed supply source for the generator set. In the event of an extended power outage, the generator is capable of supplying electricity to the sewage treatment process, control building, lighting and the fuel dispensing pumps used to fill city vehicles and equipment. The other two 4000 gallon tanks store diesel and unleaded gasoline. The fuel is dispensed through pumps which may be activated by keys coded to individual city departments. Currently, city fuel consumption is averaging approximately 2500 gallons of gasoline and 360 gallons of diesel per month. The city's bulk rate fuel price fluctuates; most recently the tanks were filled at the rate of \$1.08 per gallon of gasoline and \$0.68 per gallon of diesel.

The EPA Underground Storage Tank program (UST) went into effect in May, 1986. Existing tanks were required to be registered and a time table for compliance with the program standards was developed. New tanks have been required to meet standards at the time of construction. The only exemptions from UST regulations are those systems which are more than 90 per cent above grade, have a capacity of 1,000 gallons or less, or store heating oil for on-site use. The Wilsonville UST compliance schedule is as follows:

1. Leak detection and monitoring-December 22, 1993
2. Spill and overflow containment-December 22, 1993
3. Piping leak detection-December 22, 1998
4. Corrosion protection-December 22, 1998

In order to comply with UST regulations, several options have been evaluated.

Option 1:

Decommission the existing fuel station. Bring the treatment plant generator diesel tank into UST compliance. Obtain fuel for vehicles and equipment from a local vendor (i.e., Pacific Pride, Burns Brothers). The construction cost for this option is estimated to be \$28,500. Based on current consumption, annual fuel costs would be projected to increase from approximately \$35,337 to \$39,456. This option would not make fuel available for vehicles and equipment in the event of an emergency power outage.

Option 2:

Bring all existing UST facilities into compliance through fiscal year (FY) 1997-1998. During FY 1993-1994, establish a long range plan for efficient, cost effective and environmentally safe fuel storage and dispensing. The construction cost for this option is estimated to be \$22,252. This option would provide fuel dispensing pumps with vapor recovery, spill and overflow protection, inventory monitoring, tank tightness testing and a card key dispensing system capable of totaling fuel consumption rates for individual consumers. The fuel pumps would be energized by emergency generator in the event of a power loss.

Option 3:

Bring all existing UST facilities into compliance through fiscal year 1997-1998, for a cost of \$16,673.43 but delay installation of the new dispensing pumps, card key monitoring system, coaxial hoses, and vapor recovery nozzles until a long range plan is established. The equipment for the fuel dispensing upgrade is estimated to cost \$5,579 (and is included in Option 2). The existing pumps are 12 years old and continue to plague operators with frequent down time for repair, long delays for priming between pump cycles, and are incapable of logging fuel consumption per vehicle. Vapor recovery nozzles are only required if dispensing volumes exceed 10,000 gallons per month. However, vapor recovery components (hoses and nozzles) in a new system only cost approximately \$307.00.

Competitive bids were received for the scope of work necessary to obtain UST compliance for the city's fuel dispensing system (outlined in Option 2). The bids may be presented as follows:

Equipment Installer

Bighaus Petroleum and Environmental Inc.	\$8,248.
O'Sullivan Environmental Services	\$10,966.

Equipment Provider

Mascott Equipment Company	\$14,004.43
Northwest Pump and Equipment Co.	\$15,884.84

Equipment Provider and Installer

C and K Petroleum Equipment Co.	\$25,876.78
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Apparent and Recommended Low Bids

Bighaus Petroleum and Mascott Equipment	\$22,252.43
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This project has been budgeted in the Fleet Services Fund, in line no. 2000-1-7102500, for an estimated cost of \$23,000.

If approved to move forward, the project would begin on August 9 and would be completed by December 5, 1993.