



# CITY OF CARSON

## Legislation Text

File #: 2021-054, Version: 1

### Report to Mayor and City Council

Tuesday, February 16, 2021

Consent

#### **SUBJECT:**

**CONSIDER AWARD AND APPROVAL OF CONTRACT SERVICES AGREEMENT TO MRS ENVIRONMENTAL, INC. TO PROVIDE PETROLEUM ADMINISTRATOR SERVICES FOR A NOT-TO-EXCEED AMOUNT OF \$327,755 FOR A FIVE-YEAR PERIOD TO BE PAID BY PETROLEUM OPERATORS VIA PLANNING DEPOSITS (CITY COUNCIL)**

#### **I. SUMMARY**

The City issued a Request for Proposal ("RFP") on January 14, 2021 seeking qualified firms to provide Petroleum Administrator Services. The City's Oil and Gas Code (Code) adopted by the City Council on April 5, 2016 included a section to appoint a Petroleum Administrator to oversee its implementation. The Petroleum Administrator will be responsible for all aspects of code compliance as detailed in the Carson Municipal Code. Duties would be composed primarily of assisting the City of Carson with ensuring code compliance by the existing oil and gas operators and by updating implementation procedures as necessary.

Two proposals were received by the RFP deadline of February 4, 2021. A selection committee reviewed the proposals and evaluated each firm on the criteria set forth in the RFP. The firm recommended by the selection committee, MRS Environmental, Inc., has a total fee of \$327,755 for a five-year period. The costs include an annual Petroleum Administrator services cost of \$65,551 to inspect and perform audits various facilities in Carson. All costs contemplated under this Agreement are to be paid by the Petroleum Operators in the City via planning deposits.

#### **II. RECOMMENDATION**

TAKE the following actions:

1. AWARD and APPROVE the Contract Services Agreement to MRS Environmental, Inc. for Petroleum Administration services for a not-to-exceed contract sum of \$327,755 for a five-year period.
2. AUTHORIZE the Mayor to execute the agreement, following approval as to form by the

City Attorney.

### **III. ALTERNATIVES**

TAKE another action the City Council deems appropriate.

### **IV. BACKGROUND**

#### Petroleum Administrator Qualifications and Scope

The Code provides the following definition for the Petroleum Administrator:

"Petroleum Administrator" (PA) is the City's administrative official having the responsibility for the enforcement of this ordinance. To carry out duties, the Petroleum Administrator may use designated assistants, inspectors and deputies subject to approval of the City Manager. The Petroleum Administrator is authorized and directed to enforce the provisions of this ordinance and the codes adopted by reference herein. The Petroleum Administrator shall operate under the direction of the City Manager. The RFP required the PA to have expertise in the following areas:

- DOGGR Requirements
- Conditional Use Permits and Development Agreements
- Setback Determinations
- Consolidation and Relocation Determinations
- Lighting Assessments
- Landscaping and Aesthetic Issues
- Earthquake Monitoring
- Tank Monitoring
- Safety Audits
- Hazardous Materials Storage and Transportation
- Environmental Quality Assurance Programs
- Air Quality and Odors Analysis
- Construction Storm Water Pollution Prevention Plans
- Groundwater Assessments
- Noise Assessments
- Pipeline Leak Detection Systems.

The RFP required the proposed PA to be able to meet certain criteria, and demonstrate certain skills and abilities:

- Update procedures manual, as deemed necessary, to implement the Code and

identify the additional necessary tasks the City needs to take to implement the code.

- Demonstrate an ability to communicate, cooperate and team with City staff and other City consultants as necessary.
- Demonstrate communication and recordkeeping measures needed to ensure compliance with the code requirements for all existing and proposed facilities.
- Provide strong emphasis on working in an efficient manner with oil and gas companies and community groups and concerned citizens, while ensuring compliance with the code requirements, maintaining quality, meeting schedules and staying within budget.
- Demonstrate ability to audit and conduct monitoring activities for oil and gas facilities.

### The Selection Process

On January 14, 2021, the City issued RFP No. 21-001 (Exhibit No. 1) seeking qualified consulting firms to provide Petroleum Administration services. The RFP was advertised on the Planet Bids website through the Purchasing Division of the Finance Department. On February 4, 2021, the City received two proposals from the following firms: 1) MRS Environmental, Inc., Santa Barbara, California and 2) Asian Star Contracting Services (ASCS), Carson, California.

The proposals of each firm were reviewed and evaluated based on the criteria set forth in the RFP by the selection committee. The selection committee comprised of staff in the Community Development Department and includes the Project Manager and Principal Administrative Analyst ("Selection Committee"). The rating worksheet reflecting the Selection Committee's evaluation form is attached (Exhibit No. 2). In summary, the qualification based selection process included the following eight (8) criteria: 1) Project Understanding; 2) Scope of Work; 3) Project Schedule; 4) Project Staff Qualifications; 5) Related Experience; 6) Quality of Proposal and Fees; 7) References / Satisfaction of Previous Clients, and 8) Local Carson Business preference.

The City's Municipal code stipulates that certain professional services are selected on the basis of demonstrated competence and on the qualifications necessary for the satisfactory performance of the services required at a fair and reasonable price. After an extensive review, MRS Environmental, Inc. is recommended by the Selection Committee as the only qualified firm on the basis of demonstrated competence and qualifications based on the criteria of the RFP. The final qualification ranking and price is summarized as follows:

1. MRS Environmental, Inc. - 86/100 Points - Most and only qualified firm.

The proposal submitted by ASCS did not provide all the required documents stipulated under the RFP and is therefore an unresponsive bid. The proposal did not include the required Statement of Experience in order for the Selection Committee to determine if the proposer has relevant petroleum administration experience. Additionally, the proposal did not include an organization chart with specific team names in order for the Selection Committee to determine if the ASCS has staff with adequate subject matter expertise. No references were provided. A fee was also not provided. The selection committee reviewed

the ASCS proposal and assigned 12.5/100 points and determined that the proposal did not meet the minimum qualifications.

Based on the foregoing, staff is recommending approval of Contract Services Agreement (Exhibit No. 3) with MRS Environmental, Inc. Petroleum Administration is a very highly specialized area and it is understandable that MRS Environmental, Inc. is the only qualified firm who proposed on the RFP. MRS Environmental, Inc. is intimately familiar with the Code since they were involved in developing it. MRS Environmental, Inc. is also familiar with Carson's oil fields and oil operators. In addition, MRS Environmental, Inc. provides CEQA services for development projects including those related to oil; therefore, they are familiar with the environmental impacts of oil operations. MRS Environmental, Inc. has demonstrated that they are capable of carrying out the responsibilities of the PA under the direction of the City Manager.

## **V. FISCAL IMPACT**

No fiscal impact is anticipated to the City's General Fund. The entire cost of the contract will be paid by current oil operators through application deposits. The not-to-exceed amount of the contract is \$327,755 spread over five years.

## **VI. EXHIBITS**

1. RFP No. 21-001 (pgs. 5-54)
2. Rating Worksheet (pg.55)
3. Contract Services Agreement (MRS Environmental Inc.) (pgs. 56-88)

Prepared by: James Nguyen, Project Manager, Saied Naaseh, Director of Community Development