



City of Huntington Beach

File #: 22-597

MEETING DATE: 7/19/2022

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Al Zelinka, City Manager

VIA: Sean Crumby, Director of Public Works

PREPARED BY: Denny Bacon, Maintenance and Operations Manager

Subject:

Appropriate funds for emergency maintenance repairs at Warner Fire Fuel Station located at 3831 Warner Avenue

Statement of Issue:

The Warner Fire fuel station requires mandated repairs, following a failed annual inspection performed by the Orange County Health Care Agency (OCHCA) on April 4, 2022. The two failed items include the Under Dispenser Containment (UDC) and the Vapor Recovery Tank (VRT), which require immediate action. Additionally, this fuel site no longer complies with South Coast Air Quality Management District's (SCAQMD) fuel canopy requirements for Class 1 fuel dispensing and are recommended to be addressed as part of the overall repairs to the fuel station.

Financial Impact:

Staff is seeking an inter-fund transfer from the General Fund to the Infrastructure Fund in the amount of \$550,000. There is a sufficient fund balance in the General Fund to accommodate this transfer.

Recommended Action:

A) Appropriate \$550,000 in Transfers Out from FY2021/22 General Fund year-end surplus to the Infrastructure Fund; and,

B) Appropriate \$550,000 from the Infrastructure Fund to account 31440006.82800.

Alternative Action(s):

Do not appropriate the funds. If the site is shut down for regulatory non-compliance, the City's marine vehicles/vessels will be required to fuel elsewhere at a higher cost per gallon. In addition, the fire vehicles at Warner Fire Station will need to fuel at other City facilities.

Analysis:

The Warner Fire Station maintains a fuel island for emergency services fleet and marine boats. Built

in 1998, the Station has been identified as being in need of upgrades to meet current regulatory requirements. However, the City temporarily deferred these upgrades, while awaiting results from a pending Fleet Management Plan that would provide an analysis of migrating the fleet to alternative fuels. Currently, the Warner Fire station has extensive aboveground and underground deterioration of its piping, electrical conduits, dispensers, UDCs, and VRT due to its proximity to the ocean, age (constructed in October 1998), and materials used in its construction.

On April 4, 2022, the Warner Fire fuel station failed its annual inspection performed by OCHCA. Specifically, the two items that failed were the UDC and the Vapor Recovery Tank, which have different immediate action criteria. The VRT must be replaced within 90 days in order to achieve compliance, and the UDC piping requires replacement.

Additionally, the Warner Fire fuel station is required by SCAQMD to have a canopy in place to dispense Class 1 fuels (unleaded). Adding the UDC repairs and regulatory mandated canopy to the tank replacement would allow the City to receive the best pricing and minimize impacts to fuel station operations. Furthermore, maintaining continuous operations of the fuel station is pivotal, as it is the only City fuel site that dispenses premium fuel for the lifeguard boats/vessels.

The City has an existing Service Agreement with SunWest Engineering Constructors, Inc. to provide underground storage tank management services at all of the City's fixed fuel sites. Since time is of the essence and the City is under a 90-day regulatory order, SunWest would be best positioned to provide the repairs that will bring the Warner Fire fuel site into regulatory compliance as quickly as possible.

Environmental Status:

This project is categorically exempt pursuant to Class 1, section 15031(d) of the California Environmental Quality Act.

Strategic Plan Goal:

Infrastructure & Parks

Attachment(s):

1. Project Location Map