



**THE PORT
OF LOS ANGELES**

Executive Director's
Report to the
Board of Harbor Commissioners

DATE: MAY 10, 2017

FROM: ENVIRONMENTAL MANAGEMENT

SUBJECT: RESOLUTION NO. _____ - AWARD OF CONTRACT NO. 39820 TO STORMWATERX, LLC FOR THE PURCHASE OF A TREATMENT SYSTEM FOR THE NEW DOCK PUMP STATION, 151 SOUTH HENRY FORD AVENUE, WILMINGTON, CA

SUMMARY:

Staff requests that the Board of Harbor Commissioners (Board) approve Contract No. 39820 with StormwaterRx, LLC (StormwaterRx) for the purchase of a water treatment system. The treatment system will be installed at the New Dock Pump Station (Pump Station) to treat groundwater and surface stormwater runoff in order to assist with meeting discharge requirements under a National Pollution Discharge Elimination System (NPDES) permit. The City of Los Angeles Harbor Department (Harbor Department) is financially responsible for the purchase and maintenance of the water treatment system for the estimated amount of \$204,233.

RECOMMENDATION:

It is recommended that the Board of Harbor Commissioners (Board):

1. Find that the proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under Article III, Class 1(6) of the Los Angeles City CEQA Guidelines as determined by the Director of Environmental Management;
2. Approve Contract No. 39820 with StormwaterRx, LLC of Portland, Oregon in the amount of \$204,233;
3. Authorize the Executive Director to execute and Board Secretary to attest to said contract for and on behalf of the Board; and
4. Adopt Resolution No. _____.

DATE: MAY 10, 2017

PAGE 2 OF 5

SUBJECT: AWARD OF CONTRACT NO. 39820

DISCUSSION:

Background and Context – The Pump Station was constructed during the Harbor Department's grade separation project in 1996 to prevent flooding of the underpass area at Pier S Avenue and New Dock Street. The Pump Station is located on Port of Long Beach property on Terminal Island; however, the Harbor Department maintains the Pump Station and the associated stormdrains, and is the sole Discharger on the NPDES permit issued by the Los Angeles Regional Water Quality Control Board (LARWQCB) for discharging a combination of stormwater and groundwater into the Cerritos Channel. The NPDES permit was renewed in 2001, 2006, and 2013, and with each renewal, the permit requirements and discharge limitations became more complex and more stringent.

During the NPDES permit renewal process of the current permit (2013), discharge limitations for most metals were further lowered and new bacteria requirements were added. In February 2017, a Time Schedule Order (TSO) for bacteria was issued by the LARWQCB, requiring the Harbor Department to purchase and install a treatment system to remove/reduce bacteria levels in the discharge water. Since July 2011, \$375,000 in monetary fines has been paid by the Harbor Department due to discharge limitation exceedances. Therefore, in recent years, the Environmental Management Division (EMD) conducted a series of source identification studies that showed elevated metal concentrations in groundwater, surface runoff, and sediment throughout the drainage area. Based on these studies, staff implemented best management practices at the stormdrain inlets, removed sediment inside the stormdrains, conducted more frequent cleanouts of the Pump Station basins and over 5,000 feet of stormdrains, repaired major leaks inside the stormdrains that reduced daily discharge from approximately 80,000 gallons to less than 30,000 gallons, and constructed two permanent weirs inside the Pump Station basins to reduce sediment loading and thus particulate-binding metals into the Cerritos Channel. While water discharges from the Pump Station were improved, a portion of the metals are dissolved in the water, discharge limitations were still consistently exceeding the permit requirements.

EMD researched potential treatment options and tested multiple treatment media and systems to determine the most economically feasible and effective methodology that is applicable to the Pump Station. Results of the studies and testing have identified a treatment system that is capable to reduce both metal and bacteria concentrations to below the discharge limitations. Therefore, EMD is seeking Board approval to purchase the identified treatment system so that it will be approved and purchased by the TSO deadline of May 31, 2017.

DATE: MAY 10, 2017

PAGE 3 OF 5

SUBJECT: AWARD OF CONTRACT NO. 39820

Selection Process – EMD conducted multiple source identification studies and researched potential treatment options and determined that the most applicable and economically feasible and effective methodology for the Pump Station is a water treatment system. Several treatment systems were identified, but only the systems from StormwaterRx and Aquashield met the preliminary testing requirements. A side-by-side system comparison study was therefore conducted and the StormwaterRx treatment system was the only one capable to meet metal and bacteria discharge limitations. A small scale treatment system from StormwaterRx has been in operation since December 2015 and has demonstrated the effectiveness of the treatment technology. Based on the market research and small scale test EMD submitted a purchase requisition to the Contracts and Purchasing Division on February 8, 2017, recommending StormwaterRx for the purchase of the treatment system. The full-scale treatment system will treat up to 100% dry time groundwater influent and most storm surges. It is not intended to handle the larger storm events that occur less than 10 days in an average year. Details of the market research and small scale test are included in the memorandum dated January 5, 2017 (Transmittal 1).

ENVIRONMENTAL ASSESSMENT:

The proposed action is approval of Contract No. 39820 with StormwaterRx for the purchase of a water treatment system will be installed at the New Dock Pump Station to treat groundwater and surface stormwater (Transmittal 2). As an activity involving the addition of an environmental protection device for use in conjunction with existing facilities, the Director of Environmental Management has determined that the proposed action is exempt from the requirements of CEQA in accordance with Article III Class 1(6) of the Los Angeles City CEQA Guidelines.

FINANCIAL IMPACT:

The purchase of the water treatment system will cost the Harbor Department a total of \$204,233 including delivery and sales taxes. Installation is estimated to be \$51,000 and will be paid out of Account 21995, Center 7000, Program 000. Total maintenance costs associated with the new treatment system is estimated to be \$115,000 per year; however, the purchase of the treatment system is expected to result in a cost savings of approximately \$170,000 per year, due to reduction in research and studies for alternative options and the need for additional compliance sampling and testing. In addition, the monetary fine associated with non-compliance discharges is expected to be minimized or even eliminated with the purchase of the treatment system.

DATE: MAY 10, 2017

PAGE 4 OF 5

SUBJECT: AWARD OF CONTRACT NO. 39820

Delivery of the treatment system is expected to take place in FY 17/18. As such, \$210,000 was requested in next year's budget in Account 13150, Center 0330, Program 000 and pending Board approval.

The annual maintenance costs for the treatment system will be paid out of Account 21995, Center 7000, Program 000. The maintenance expenditures will reduce the Harbor Department's liability (approximately \$170,000 per year) in compliance with Government Accounting Standards Board, Statement 49 – Remediation Pollution Obligation.

DATE: MAY 10, 2017

PAGE 5 OF 5

SUBJECT: AWARD OF CONTRACT NO. 39820

CITY ATTORNEY:

The Office of the City Attorney has reviewed and approved Contract No. 39820 as to form and legality.


TRANSMITTALS:

1. Memo dated January 12, 2017 – Request to Purchase a Discharge Water Treatment System
2. Contract No. 39820 with StormwaterRx, LLC

FIS Approval: MB (initials)
CA Approval: JML (initials)



CHRISTOPHER CANNON
Director of Environmental Management



MICHAEL DiBERNARDO
Deputy Executive Director

APPROVED:



FOR

EUGENE D. SEROKA
Executive Director

CC/yo
AUTHOR: P. Sun

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