



August 6, 2020

Council Meeting of August 18, 2020
Subject: Underground Fuel Storage Tank
Replacement – City Hall

The Honorable Mayor
and
Members of the City Council

Ladies and Gentlemen:

The FY-2021 budget provides for the replacement of the underground fuel storage tank (UST) at City Hall. The current UST was installed in 1991.

The replacement tank and all work would be completed by Rohr Gasoline Equipment Inc. of Byron Center, Michigan at a quoted price of \$84,000. Rohr is the sole source provider for both City Hall and the Public Works Facility.

Funds in the amount of \$65,000 are budgeted in the Equipment Replacement Fund for this purchase. The shortfall of \$19,000 will be made up by increasing the rental rates for all departments.

Adoption of the attached resolution will award the replacement of the UST at City Hall in the quoted amount of \$84,000.

Respectfully submitted,

Mark C. Meyers
City Administrator

JRM/sr
Attachment

Administration/City Clerk (231) 798-4391	Assessing Division (231) 799-6806	Building Division (231) 799-6801	Finance/Treasurer (231) 799-6805	Fire Prevention (231) 799-6809	Fire Department (231) 798-2255
Parks/Recreation (231) 799-6802	Planning/Zoning (231) 799-6800	Police Department (231) 733-2691	Public Works (231) 799-6803	Streets Division (231) 798-2156	Water/Sewer (231) 799-6804

RESOLUTION

WHEREAS, the current budget provides for the replacement of the underground fuel storage tank (UST) at City Hall, and

WHEREAS, a replacement tank and all work would be completed by Rohr Gasoline Equipment Inc. of Byron Center, Michigan at a quoted price of \$84,000, and

NOW, THEREFORE, BE IT RESOLVED, that the replacement tank and all work would be completed by Rohr Gasoline Equipment Inc. of Byron Center, Michigan at a quoted price of \$84,000.

At a regular meeting of the City Council of the City of Norton Shores, held remotely on the 18th day of August, 2020, the foregoing resolution was moved for adoption by Council Member. The motion was supported by Council Member.

Ayes:

Nays:

Resolution declared adopted/denied.

Shelly Stibitz, City Clerk



Internal Memo

July 28, 2020

TO: James R. Murphy, Director of Public Works
FROM: Bryan A. DeGroot, Streets & Drainage Superintendent 
RE: Underground Fuel Storage Tank Replacement City Hall

Fiscal Year 2021 Budget provides funding from the Equipment Replacement Fund in the amount of \$65,000 for the replacement of the underground fuel storage tank at City Hall.

The current underground storage tank (UST) was installed in 1991. UST's have a lifespan of 25-30 years and the current tank is 29 years old this year. At 30 years old, insurance carriers deem these tanks a liability and most will not cover the UST. If insurance carriers do offer coverage, the insurance premiums come with an extreme price increase.

The replacement tank and all work included would be done by Rohr Gasoline Equipment Inc. of Byron Center, Michigan, for the quoted price of \$84,000. Rohr will provide all equipment and services needed to complete the project. Rohr is a sole source supplier. Rohr does all inspections and repairs to the fuel systems for both City Hall and Public Works Facilities. The Funds for the Equipment Replacement Fund are generated by rental rates paid by all departments for City vehicles and equipment. The shortfall from what was budgeted to the estimated quote will be made up in increasing rental rates for all departments.

The work will include concrete cutting and removal to de-fume, cut, clean and fill in place the existing 10,000 gallon tank and supply and install one (1) 10,000 Gallon double wall Glasteel II tank by Modern Welding Company. The Glasteel II double wall tanks are atmospheric steel tanks intended for underground storage of flammable and combustible liquids with a jacketed secondary containment and nonmetallic external jacket constructed of fiberglass and polyester resin. The primary tank and FPR jacket are separated by an interstellar space with the jacket acting as the secondary containment and corrosion barrier while the secondary jacket allows for interstitial monitoring capabilities. Installation of new double wall fiberglass piping and wiring from the fuel island to the new tank will also be done. Rohr will be obtaining all necessary permits and work with the State of Michigan Department of Licensing and Regulatory Affairs (LARA) on all required inspections and approvals. The quoted price is based on a clean closure. Any unforeseen contamination clean-up would be at an extra expense. Any parking lot repairs or painting would be done in-house by the Streets & Drainage Division.

Leaving and filling the current tank is saving a significant amount of money, therefore the new Glasteel II tank will be installed next to the current tank and is eight (8) weeks out to be received.



Internal Memo

Staff requests City Council give authorization for Rohr Gasoline Equipment Inc. of Byron Center, Michigan, to perform the replacement of the UST and all necessary work included in the project.

Please contact me if you should need any further information or have questions concerning this matter.