



Connecting Our Community.

**OPERATIONS AND SAFETY COMMITTEE**

**MONDAY, SEPTEMBER 21, 2015, 8:00 A.M.**

**OMNITRANS METRO FACILITY**

**1700 WEST 5TH STREET**

**SAN BERNARDINO, CA 92411**

The meeting facility is accessible to persons with disabilities. If assistive listening devices or other auxiliary aids or Limited English Proficiency services are needed in order to participate in the public meeting, requests should be made through the Recording Secretary at least three (3) business days prior to the Committee Meeting. The Recording Secretary's telephone number is 909-379-7110 (voice) or 909-384-9351 (TTY), located at 1700 West Fifth Street, San Bernardino, California. If you have comments about items on the agenda or other general concerns and are not able to attend the meeting, please mail them to Omnitrans at 1700 West Fifth Street, San Bernardino, California, Attention Board Secretary. Comments may also be submitted by email to [BoardSecretary@omnitrans.org](mailto:BoardSecretary@omnitrans.org).

**THIS MEETING IS AVAILABLE BY TELECONFERENCE AT THE FOLLOWING LOCATION AND WILL BE CONDUCTED IN ACCORDANCE WITH GOVERNMENT CODE SECTION 54953(B).**

**HOLIDAY INN, 1070 MAIN STREET, BRIDGEPORT, CT 06604**

**THIS LOCATION IS ACCESSIBLE TO THE PUBLIC AND MEMBERS OF THE PUBLIC MAY ADDRESS THE COMMITTEE AT THIS TELECONFERENCE LOCATION.**

**A. CALL TO ORDER**

1. Pledge of Allegiance
2. Roll Call

**B. ANNOUNCEMENTS/PRESENTATIONS**

1. Next Committee Meeting: Not scheduled at this time.

**C. COMMUNICATIONS FROM THE PUBLIC**

This is the time and place for the general public to address the Board for items that are not on the agenda. In accordance with rules applicable to meetings of the Operations and Safety Committee, comments on items not on the agenda and on items on the agenda are to be limited to a total of three (3) minutes per individual.

**D. POSSIBLE CONFLICT OF INTEREST ISSUES**

Disclosure – Note agenda items contractors, subcontractors and agents, which may require member abstentions due to conflict of interest and financial interests. Board Member abstentions shall be stated under this item for recordation in the appropriate item.

N/A

**E. DISCUSSION ITEMS**

1. Approve Operations and Safety Committee Minutes – May 11, 2015 2
2. Receive and File Status Update: Progress on Solicitation for the Design-Build-Maintain Compressed Natural Gas (CNG) Infrastructure at East and West Valley Vehicle Fueling Facilities 6

**F. REMARKS AND ANNOUNCEMENTS**

**G. ADJOURNMENT**



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ITEM # \_\_\_\_\_ E1 \_\_\_\_\_

**OPERATIONS AND SAFETY COMMITTEE  
MINUTES  
MAY 11, 2015**

**A. CALL TO ORDER**

The Operations and Safety Committee Meeting was called to order by Committee Chair Sam Spagnolo at 8:03 a.m., Monday, May 11, 2015.

1. Invocation/Pledge of Allegiance
2. Roll Call – Self-Introductions

**Committee Members Present**

Mayor Pro Tem, Sam Spagnolo – Committee Chair  
Mayor Ray Musser, City of Upland  
Supervisor James Ramos, County of San Bernardino  
Council Member Dick Riddell, City of Yucaipa  
Council Member John Roberts, City of Fontana  
Mayor Pro Tem Alan Wapner, City of Ontario

**Committee Members Not Present**

Mayor Richard DeLaRosa, City of Colton  
Supervisor Josie Gonzales, County of San Bernardino

**Omnitrans Administrative Staff Present**

Scott Graham, CEO/General Manager  
Diane Caldera, Director of Operations  
Jack Dooley, Director of Maintenance  
Marjorie Ewing, Director of Human Resources/Safety & Security  
Samuel Gibbs, Director of Internal Audit  
Jacob Harms, Director of Information Technology  
Andres Ramirez, Program Manager  
Jennifer Sims, Director of Procurement  
Don Walker, Director of Finance  
Wendy Williams, Director of Marketing & Planning  
Maurice Mansion, Treasury Manager  
Mark Crosby, Loss Prevention Supervisor  
Ross Hrinko, Safety & Regulatory Compliance Specialist  
Vicki Dennett, Executive Assistant to the CEO/General Manager

**B. ANNOUNCEMENTS/PRESENTATIONS**

There were no announcements.

**C. COMMUNICATION FROM THE PUBLIC**

There were no communications from the public.

**D. POSSIBLE CONFLICT OF INTEREST ISSUES**

There were no conflict of interest issues identified.

**E. DISCUSSION ITEMS**

1. Approve Operations and Safety Committee Meeting Minutes – September 10, 2014

M/S (Musser/Ramos) that approved the Committee Minutes of September 10, 2014. Motion was unanimous by Members present.

Member Wapner arrived at 8:07 a.m. Note: Approval of minutes followed Item #2 once quorum was achieved.

2. Recommend the Board of Directors, Receive and File Final Summary Report, Liquefied Natural Gas (LNG) Operations Risk Assessment

Mardy Kazarians of Kazarians & Associates, Inc. presented “LNG Operations Risk Assessment” to the Committee, and discussed:

- Project Scope
- Compliance with Safety and Regulatory Requirements
- Seismic Review
- Release Analysis
- Release Analysis
  - Adverse Effects
  - Hazard Footprint
  - Offsite Impact
- Industry Incidents
- Conclusion

Member Ramos arrived at 8:20 a.m.

What about the earthquake effects in Japan on similar facilities? Kazarians & Associates studied all the faults relevant to the Omnitrans site. What about lightning strike as a source of ignition? That would be double jeopardy—lightning would have to strike at the same moment as an accidental release, chances of which are remote.

M/S (Riddell/Roberts) that the Board of Directors receive and file the final summary report on the Liquefied Natural Gas (LNG) Operations Risk Assessment. Motion was unanimous by Members present.

3. Recommend the Board of Directors Receive and File Final Report, Compressed Natural Gas (CNG) Fueling Infrastructure Feasibility Study and Approve Recommendation to Proceed with Developing Preliminary Design, Technical Specifications and Solicitation Documents with “On Call” Architect and Engineering Firm

Charles Love from Clean Energy presented the Omnitrans Pipeline CNG Feasibility Study Review, covering the following topics:

- Site Summaries
- Legal Feasibility
- Operational Feasibility
  - East Valley
  - West Valley
  - Paratransit Operations
- Economic Feasibility
- Technical Feasibility
- Schedule Feasibility
- Market & Real Estate Feasibility
  - East Valley
  - West Valley
  - I Street
- Resource Feasibility
- Financial Feasibility

Mr. Love noted that figures used in the presentation were as of December 2014. Member Ramos clarified that the new system wouldn't vent to atmosphere, but capture and put into a receiver tank, and is pulled first. Member Riddell asked if a larger pipe would have to be installed and result in a cost to Omnitrans? Mr. Love responded no, according to the information Clean Energy received from Southern California Gas.

M/S (Wapner/Musser) that the Board of Directors receive and file the final report on the CNG Fueling Infrastructure Feasibility Study; and that the Board of Directors approve the recommendation to proceed with developing the preliminary design, technical specifications and solicitation documents with our “On Call” Architect and Engineering firm STV. Motion was unanimous by Members present.

## **F. REMARKS AND ANNOUNCEMENTS**

Chairman Spagnolo remarked that the local community group was notified two weeks ago that this meeting was scheduled, invited to attend, and information was forwarded to them, which they acknowledged.

Member Ramos remarked that the County Board of Supervisors has also worked to bring this information to the community group to try to address some of the issues they are concerned about, and believes they are very well informed. CEO/General Manager Scott Graham added that at their request, a meeting had been scheduled with the community group for May 13, which they had subsequently cancelled. Especially in light of the fact that they cancelled the meeting, he was hoping they would have been present at today's meeting, but they hadn't committed either way. Board Chairman Wapner added that regardless of the community group's decisions regarding their participation, Omnitrans will do everything possible to ensure the community's safety as this project proceeds, and that this is paramount of the Board's interest.

**G. ADJOURNMENT**

The Operations and Safety Committee adjourned at 8:50 a.m. The next Committee Meeting will be scheduled and posted at Omnitrans and on the Omnitrans website.

Prepared by:

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Christine Vega, Administrative Secretary



1700 W. Fifth St.  
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ITEM # \_\_\_\_\_ E2 \_\_\_\_\_

**DATE:** September 21, 2015

**TO:** Committee Chair John Roberts and  
Members of the Operations & Safety Committee

**THROUGH:** P. Scott Graham, CEO/General Manager

**FROM:** Andres Ramirez, Program Manager

**SUBJECT: STATUS UPDATE: PROGRESS ON SOLICITATION FOR THE  
DESIGN-BUILD-MAINTAIN COMPRESSED NATURAL GAS (CNG)  
INFRASTRUCTURE AT EAST AND WEST VALLEY VEHICLE  
FUELING FACILITIES**

**FORM MOTION**

Receive and file the following status update for the use of Design–Build–Maintain method and the solicitation for the Design-Build-Maintain Compressed Natural Gas (CNG) Infrastructure at East Valley and West Valley Vehicle Fueling Facilities, which are being developed by Omnitrans’ “On Call” Architect and Engineering firm, STV, Inc. Inform the Committee of Omnitrans’ intention to request that the Board approve the use of the Design-Build-Maintain method for this solicitation and approve the release of the solicitation documents at the October 7, 2015, Board Meeting.

**BACKGROUND**

In September 2014, Omnitrans contracted Clean Energy, under RFP-FIN14-269, to conduct a CNG Fueling Infrastructure Feasibility Study in an effort to evaluate the viability, cost(s) and benefits of implementing pipeline CNG fueling operations at Omnitrans’ three facilities. The purpose of the Feasibility Study was to provide an alternative to Omnitrans’ current fueling operations.

The Feasibility Study was completed in April 2015 and found that there were no jurisdictional, operational, economical, or technical restrictions preventing Omnitrans from pursuing a pipeline CNG fueling infrastructure at its facilities. The Study concluded that an annual savings, after implementation of a pipeline CNG fueling infrastructure, will realize a total cost reduction of approximately \$1,350,000 in fueling costs at Omnitrans’ three facilities (East Valley, West Valley, and I Street).

Further, the Study concluded that the implementation of pipeline fueling at the facilities, particularly at East Valley, will help to alleviate the nearby community’s concerns with the

existing LNG facility. The method of delivery through pipeline eliminates the need for the LNG storage tanks.

The Feasibility Study included a Technical Feasibility section that provided potential costs to install pipeline CNG systems at each of the facilities. The projected costs were as follows:

East Valley:	\$2,294,906
West Valley:	\$1,708,362
I Street:	\$1,564,010

In June 2015, the Board of Directors approved that Omnitrans proceed with the development of the preliminary design, technical specifications, and solicitation documents with our “On Call” Architectural and Engineering firm STV, Inc. Omnitrans’ initial approach was to install the pipeline CNG system at East Valley in the 2015/16 fiscal year (as was stated in our Strategic Initiative #1); at West Valley in the 2016/2017 fiscal year; and I Street in the 2017/2018 fiscal year.

However, after review of the similarities between the East Valley and West Valley systems, Omnitrans decided to package the pipeline CNG systems at these two facilities into one project. This would provide the project with some economy of scale, ensure that we have interchangeable components between facilities for maintenance purposes, and provide fuel cost savings at West Valley one year earlier than anticipated.

In addition to grouping the East Valley and West Valley systems together, and in an effort to increase competition, expedite the timeliness of the project, achieve cost savings, and increase the quality of the system, the use of the Design-Build-Maintain method is recommended. Design-Build-Maintain is a method that is allowed by the FTA and State statute.

A Scope of Work was prepared for the project and subsequently an Independent Cost Estimate for said scope. The Independent Cost Estimates received were as follows:

East Valley:	\$6,655,863
West Valley:	\$4,437,057

Because of the large discrepancy between the projected costs from the Feasibility Study and the Independent Cost Estimate, we evaluated the Scope of Work for each in an attempt to identify the reason for the differential. We identified the following scope items that were in the Scope of Work for the solicitation that were not in the Scope of Work for the Feasibility Study:

- Demolition, disposal, and restoration of the existing LNG systems at both facilities.
- Adequate redundancy at each facility.
- Emergency power for the system at each of the facilities.
- New electrical services for each of the facilities.
- Temporary services at West Valley due to the new system needing to be located in the footprint where the existing LNG equipment is located.

In addition, there was a large difference between the Feasibility Study and the Independent Cost Estimate in the unit costs for the compressors. STV was questioned on this and they verified that they received their unit cost directly from a manufacturer.

As we conclude with the preparation of the solicitation documents, we are evaluating the available funding for this project. We anticipate being able to identify an appropriate funding source to support the work progressing at both facilities. However, if funding cannot be identified for both, we are prepared to proceed with the revision of the documents and the solicitation for East Valley only.

### **FUNDING SOURCE**

The cost associated with this procurement is budgeted in the capital budget as follows:

<b>FUNDING</b>	<b>GRANT</b>	<b>YEAR</b>	<b>PROJECT NAME</b>	<b>INTERNAL ORDER</b>	<b>AMOUNT</b>
FTA	CA-90-Z112	2014	Facility CNG Station	D1440317F	\$1,524,586
FTA	CA-90-Z231-00	2015	Facility Upgrade CNG	D1540316F	\$1,439,792
FTA	TBD	2016	Facility Upgrade CNG	TBD	\$1,338,493
CNG Tax Credit	N/A	2014	Capital Projects	N/A	\$3,835,425
TBD	TBD	2016	TBD	TBD	\$2,954,624
				<b>TOTAL</b>	<b>\$11,092,920</b>

\_\_\_\_\_ Verification of funding source and availability of funds  
(Verified and initialed by Finance)

Short Range Transit Plan/Strategic Initiative Supported – This procurement supports Omnitrans’ Short Range Transit Plan goal to maximize cost recovery while charging a fair fare; as well as Strategic Initiative #1 – Fuel Cost Reduction.

### **CONCLUSION**

By proceeding with this solicitation, Omnitrans will be able to receive formal proposals from firms to design, build, and maintain the equipment and infrastructure required to commence pipeline natural gas fueling and remove the existing Liquid Natural Gas equipment at the East Valley and West Valley facilities

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