



REQUEST FOR PROPOSALS

Title: Crude Oil Tank 7 and Ballast Water Tank 94 Maintenance Review

LRFP Number: 5081.22.01

Project Manager: Austin Love

Submittal Deadline: August 3, 2021

Award Announcement: August 13, 2021

Submit Proposals to:

Austin Love, Project Manager

Prince William Sound Regional Citizens' Advisory Council

via email at the following address:

austin.love@pwsrca.org

To verify receipt of proposal, proposer must contact Austin Love via email before the submittal deadline.

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Proposal submission requirements:

- a. Proposals shall be submitted in electronic form in Adobe Portable Document form (PDF) (Acrobat 7.0 or later). The PDF file for the proposal itself shall be created directly from the authoring application. It is permissible but not preferred for appendices and other attachments to the proposal to be submitted in scanned PDF format.
- b. To assure consideration, proposals must be received by Prince William Sound Regional Citizens' Advisory Council (PWSRCAC) by the deadline. Proposals received after the deadline may be considered but only if they can be accommodated by PWSRCAC's review process. Additional information provided after the deadline may also be considered but only if such information can be accommodated by the review process.

Inquiries regarding this request for proposals shall be directed to the project manager named above via email.

REQUEST FOR PROPOSALS

The Prince William Sound Regional Citizens' Advisory Council (PWSRCAC) is inviting proposals for a project to review the maintenance of crude oil storage Tank 7 and ballast water storage Tank 94 at the Valdez Marine Terminal. The final work product of this effort is a report summarizing the maintenance of Tanks 7 and 94 with recommendations regarding how Alyeska Pipeline Service Company (Alyeska) could improve the maintenance of those storage tanks.

ABOUT PWSRCAC

MISSION STATEMENT: Citizens promoting environmentally safe operation of the Alyeska terminal and associated tankers.

PWSRCAC was formed following the Exxon Valdez oil spill to advise Alyeska Pipeline Service Company and the public on issues related to oil spill prevention and response and mitigating the environmental impacts of terminal and tanker operations.

PWSRCAC also advises oil shippers, regulatory agencies and elected officials on these issues.

PWSRCAC's membership comprises communities affected by the Exxon Valdez oil spill and interest groups with a stake in safe oil transportation in the region. PWSRCAC's 18 member organizations are communities and boroughs impacted by the 1989 Exxon Valdez oil spill, as well as Native, commercial fishing, aquaculture, recreation, tourism and environmental representatives.

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PWSRCAC was chartered as a non-profit corporation by the State of Alaska on December 26, 1989. PWSRCAC is funded under a contract with Alyeska and is certified as the alternative voluntary advisory group for Prince William Sound under the Oil Pollution Act of 1990 (OPA90).

Please note: All of PWSRCAC's products and the products resulting from contracts are considered public information. Proposals and work plans may be distributed throughout the organization for review and comment. Proprietary information should not be submitted in any proposal. PWSRCAC will not knowingly reveal the contents of a proposal that is not subsequently accepted for contract; however, PWSRCAC accepts no liability should such contents inadvertently be revealed to third parties.

1. PROJECT

INTRODUCTION

This project would entail performing a technical review of the maintenance of crude oil storage Tank 7 and ballast water storage Tank 94 at the Valdez Marine Terminal. Both Tank 7 and Tank 94 are scheduled to undergo comprehensive internal inspections (API 653) in 2021. The last time Tank 7 underwent an internal inspection was in 2008, and Tank 94's last internal inspection occurred in 2012. The 2021 internal inspections of both tanks will result in a large amount of new information pertaining to the past, current, and future maintenance of each storage tank. Additionally, since their last internal inspections were done back in 2008 and 2012, Alyeska has gathered and maintained other information, such as cathodic protection system testing records and external inspection results pertinent to the maintenance of Tanks 7 and 94. The new information generated from the 2021 internal inspections and the other, older information must all be considered to continue to safely maintain each of these tanks. This project is necessary to ensure that Alyeska is using industry best practices and considers all the pertinent information in the decisions they make to safely maintain both tanks, now and in the future.

Tank 7 is a steel, fixed-roof, oil storage tank that was field-constructed in 1976. Tank 7 is 250 feet in diameter and about 62 feet high, with working capacity about 510,000 barrels. Tank 7 receives crude oil from the Trans-Alaska Pipeline System and is one of 14 in-service crude oil storage tanks located in the East Tank Farm at the Valdez Marine Terminal.

Tank 94 is a steel, fixed-roof, ballast water storage tank that was field-constructed in 1976. Tank 94 is 250 feet in diameter and about 53 feet high, with a working capacity of about 465,000 barrels. This tank receives oily ballast water from the tanker ships visiting the Valdez Marine Terminal. Residual oil is separated in Tank 94 via gravity, then the oil is directed to another tank, while the oily water is directed toward further treatment steps before eventually being discharged into Port Valdez.

GOALS and OBJECTIVES

PWSRCAC is responsible for monitoring aspects of the Valdez Marine Terminal's maintenance that are essential toward reducing the risk of an oil spill from the facility. PWSRCAC is tasked with providing advice to Alyeska to improve the maintenance of assets at the Valdez Marine Terminal in order to reasonably reduce the risk of an oil spill. PWSRCAC is also responsible for promoting where maintenance at the Valdez Marine Terminal meets or exceeds industry best practice. Therefore, the goals of this project are to monitor an important aspect of maintaining the Valdez Marine Terminal, identify improvements that could be made to the maintenance of oil storage Tanks 7 and 94, and promote where Alyeska meets or exceeds best practices related to storage tank maintenance. Specific objectives for this project include the following:

- Review and summarize the 2021 API 653 internal inspection reports for Tanks 7 and 94 as well as their most recent external inspection reports;
- Review and summarize pertinent cathodic protection system testing data for Tanks 7 and 94;
- Review and summarize Alyeska protocols and procedures applicable to the maintenance of Tank 7 and 94;

- Review and summarize sections of the Valdez Marine Terminal’s Oil Discharge Prevention and Contingency Plan related to the maintenance of storage Tank 7 and 94;
- Review and summarize sections of the Alaska Department of Environmental Conservation’s (ADEC) regulations pertaining to the maintenance of Tanks 7 and 94;
- Comment on the extent to which Alyeska implements industry best practices regarding the maintenance of storage Tanks 7 and 94;
- If warranted, develop recommendations to improve Alyeska’s methods, procedures, and reporting associated with the maintenance of Tank 7 and 94;
- If warranted, develop recommendations to improve sections of the Valdez Marine Terminal’s Oil Discharge Prevention and Contingency Plan related to storage tank maintenance;
- If warranted, develop recommendations to improve ADEC’s regulatory standards pertaining to the maintenance of storage tanks at the Valdez Marine Terminal.

In essence, this project is a looking for a contractor to perform a third party technical review of Alyeska’s maintenance of Tank 7 and 94. A large part of this project involves requesting and reviewing Alyeska documentation, but it would also involve the review of public information available in the Valdez Marine Terminal’s Oil Discharge Prevention and Contingency Plan and state regulations. We anticipate this project would also entail communications with technical staff at Alyeska to ensure the selected contractor has an accurate understanding of the many aspects related to the maintenance of these storage tanks. While the focus of this project is on Tank 7 and 94,

PWSRCAC hopes that some of the recommendations that come out of this work would be broadly applicable to all crude oil storage tanks at the Valdez Marine Terminal.

DESCRIPTION of REQUESTED WORK

Scope of Work. The scope of work shall include, but is not limited to the following:

1. **Document Review** – The contractor would review procedures and maintenance records (e.g., API 653 inspection reports, annual cathodic protection system test results, etc.) associated with the maintenance of storage Tank 7 and 94. These documents would need to be requested from Alyeska, although the Council may already possess some of this needed information. Current and past internal inspection reports, and possibly external inspection reports, may need to be reviewed, but the focus would be on the most recent inspection reports. The most recent internal inspection report (API 653) may not be available until fall 2021. Only current Alyeska tank maintenance related procedures would need to be reviewed. As needed, this may also require the review of piping and instrumentation diagrams (P&IDs), which would also need to be obtained from Alyeska.

This stage of the project could be subject to delay depending on the level of cooperation from Alyeska. The Council is prepared to accept such delays as part of this project, but will do all it can to help expedite information exchange between Alyeska and the selected contractor.

The contractor would review sections of the Valdez Marine Terminal's Oil Discharge Prevention and Contingency Plan and sections of ADEC's regulations

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related to crude oil tank inspections. That information is publicly available. The ADEC regulations pertaining to tank inspections are included under Title 18 Chapter 75 of the Alaska Administrative Code (18 AAC 75).

2. **Draft Report** – The contractor would create a written draft report summarizing the results of the tank maintenance document review. This report should address all the objectives listed under the Goals and Objectives section of this request for proposals as well as the questions listed under this section. The written report shall include a brief executive summary and be of a professional quality suitable for public understanding and release. The draft report would be submitted to PWSRCAC for review and comment. The contractor would meet, via videoconference, with PWSRCAC to address all comments and questions regarding the draft report.

The report should address the following questions, but not necessarily limited to these:

- Do Alyeska’s current internal tank inspection and maintenance procedures align with current best industry practices (e.g., API 653)?
- Do the procedures include requirements for following best industry practice regarding the protecting the tanks’ bottoms from corrosion (e.g. cathodic protection and coatings)?
- Were Tank 7 and 94’s 2021 internal inspections conducted by qualified personnel (e.g., an API 653 certified inspector)?
- Was best available commercial technology being used to inspect and maintain the tanks?

- Was the tank inspected according to Alyeska’s written procedures?
- What were the general results of the inspection?
- Were current and past internal or external inspection reports of sufficient quality, and in alignment with best industry practice (e.g., API 653)?
- Were there any unusual anomalies encountered during Tank 7 or 94’s 2021 internal inspection?
- Was or is reasonable action being taken to repair anomalies encountered during Tank 7 and 94’s 2021 inspection?
- Was the next internal inspection interval for each tank determined based on best industry practice, including accounting for local environmental conditions (e.g., earthquake risk, snow load, etc.)?

3. **Final Report** – The contractor would revise the draft report, based on comments received from PWSRCAC, and submit a final report to PWSRCAC. The contractor would meet, via videoconference, with PWSRCAC to address all comments and questions regarding the final report. The primary audiences of the final report are Alyeska, state and federal regulators, and the staff and volunteers of PWSRCAC.

4. **Results Presentation** – The selected contractor would prepare and deliver a summary presentation to the PWSRCAC Board of Directors via videoconference. The purpose of this presentation is to provide an overview of the project/final report, highlight critical findings, and discuss recommendations identified by the contractor, such that the Board of Directors can understand and decide

which recommendation(s) they might endorse and recommend that Alyeska, state or federal regulators take action on. This meeting will also be the venue wherein the Board of Directors will decide whether or not to accept the final report from the contractor as meeting the terms of the contract and being suitable for public release.

5. **Progress Reports** – Have update calls and provide brief, written progress reports to PWSRCAC at least monthly. The progress reports should cover progress to date, challenges, worked planned for the ensuing period, how the schedule has been impacted (if it has), generally how actual work hours compared to the budget plan for that task, and preliminary findings and recommendations (where appropriate).
6. **Outreach** - After completion of the final report and its transmittal to Alyeska, as well as appropriate state and federal regulators (PWSRCAC will perform that final report transmittal), the contractor would be available to prepare for and attend meetings with PWSRCAC, Alyeska, state and federal regulators to discuss, clarify, and promote the findings and recommendations in the final report. A total of 12 contractor hours are anticipated to prepare, attend, and debrief with PWSRCAC for three such outreach meetings.

Proposed Schedule

1. **August 3, 2021** – Proposal Deadline
2. **August 13, 2021** – Contract Award Announcement
3. **September 20, 2021** – Project Kickoff Meeting
4. **January 11, 2022** – Draft Report Deadline
5. **February 8, 2022** – Final Report Deadline
6. **May 5 or 6, 2022** – Results Presentation
7. **September 2022** – Contractor available until end of September 2022 for outreach

2. GENERAL REQUIREMENTS

PWSRCAC Costs. PWSRCAC is not liable for any costs incurred by the proposer during the proposal preparation.

Single Point of Contact. The contractor will designate one person as the project manager and point of contact with PWSRCAC. In the case of multiple investigators, one shall be designated as the lead to serve as the project manager and point of contact.

Subcontracts. Proposers may subcontract minor portions of the contract. However, the proposer must have the major elements of expertise in house and demonstrate the ability to manage the subcontractor.

Schedule. Progress reports shall be submitted to the project manager upon completion of each phase described in the scope of work. At a minimum, progress reports shall include:

- a. An introduction;
- b. An overview of progress to date;
- c. Identification of any difficulties encountered in accomplishing the work;
- d. A schedule for completion of the remaining tasks; and
- e. Specific recommendations concerning the matters addressed.

Final Report. The contractor shall submit a written final report. The final written report shall include an executive summary and be of a professional quality suitable for release.

The Final report must be submitted in an electronic file in PC format on a CD-ROM in MSWord, and data in Excel or Access. In addition, the final report shall be submitted on CD-ROM in a portable document format (pdf) version optimized for web viewing and created directly from the authoring application using Adobe Acrobat 7.0 or later. Project maps, photos or other graphics shall be included as part of the digital submittal in a common graphic format. Any data or collection of information resulting from work done under the contract is the property of PWSRCAC and shall be submitted either on diskette and CD-ROM in Microsoft Access or Excel to PWSRCAC.

Oral Report. The contractor may be asked to deliver an oral presentation at a council meeting upon completion of the work.

Final Payment. A portion of the total payment to the contractor will be withheld until all requirements are met. No interest will be paid on any withheld payments.

3. REQUIRED PROPOSAL CONTENTS

Any submitted proposal shall include the following as appropriate to the requirements of the scope of work:

Cover Sheet

- Name, address, telephone number and facsimile number of proposer.
- RFP Title and Number
- Name of Principal Consultant(s)
- Cost of Proposal

Table of Contents. May include a list of Tables and Figures if appropriate.

Introduction. This section shall include the RFP title and number, brief general discussion of the problem and the proposed project. Scientific and technical terms shall be clearly defined and a list of pertinent enclosures included.

Goals and Deliverables. Describe how the proposer intends to address the specific goals and provide the deliverables of the work requested, as listed above.

Materials and Methods. Describe in detail the methods to be used and how they will produce the deliverables. Cite references and provide background information where applicable and as needed.

Project Duration and Work Schedule. Describe the schedule in which the proposed work will be completed. Include specific milestones, work phase completion dates and the timing of progress reports. Indicate what will be achieved by the completion of each milestone or phase of work.

Management Scheme. Clearly describe how the work will be managed including the role of each key individual expected to be involved in the work. Provide names and resumes of each. This section should also include information on how the scope, time and costs of the project will be controlled.

Budget. Include information about the total costs (cited in U.S. Dollars), professional fees, expenses and contingencies. In case of overhead rates or administrative fees, give percent of direct personnel cost. Provide a breakdown of hours per individual and rates per individual. If subcontractors are used, indicate the percentage of work to be performed by each subcontractor with respect to the entire proposed scope of work.

Consultant/Contractual Services. Indicate if, how, and why a subcontractor will be used for any portion of the work.

Logistics and On-Site Visits. Describe logistics and schedules for all travel in conjunction with the proposed work.

Statement of Qualifications. Describe, relevant to the proposed work, previous work experience, related technical accomplishments and educational background of each of

the principal investigators and subcontractors if used. If multiple investigators are involved, describe the role of each individual.

References. The names, contact persons, and telephone numbers of firms for which the respondent recently performed services shall be included. A minimum of three such references is suggested.

Conflict of Interest. Describe all financial, business or personal ties contractor has to Alyeska Pipeline Service Company or members of the Alyeska consortium, excluding normal commercial purchases of petroleum products.

4. SUBMITTAL AND EVALUATION PROCESS

A. **Evaluation Criteria.** Proposals will be evaluated based on, but not limited to, the following:

- 1) **Proposal Format.** Does the proposal follow the requested format?
- 2) **Proposed Scope of Work.** Does the proposal clearly address the requested scope of work?
- 3) **Technical Approach.** Is the proposed approach to the scope of work technically feasible?

- 4) **Qualifications.** Does the principal investigator possess expertise and experience to assure successful completion of the scope of work?
- 5) **Management Scheme.** Will the proposed management scheme reasonably lead to successful development of the deliverables?
- 6) **Schedule.** Is the proposed schedule for completion of the scope of work in accordance with the requested project duration and schedule?
- 7) **Deliverables.** Are the proposed deliverables in accordance with the deliverables requested in the scope of work?
- 8) **References and Conflicts of Interest.** Does a reference check indicate proposer has the potential to successfully complete the proposed scope of work? If conflicts of interest are stated, are they sufficiently relevant to preclude an offer to perform the work for PWSRCAC?
- 9) **Budget and Cost Justification.** Is the budget reasonable and adequate for the work proposed? Does the budget provide good value for the funds requested?

B. Contract Award. The successful proposal will be the one that, in PWSRCAC sole opinion, best meets the needs as outlined in this RFP. In the event that PWSRCAC determines that no proposal completely meets all of the needs as outlined in the RFP, PWSRCAC shall have the option not to accept any proposal or enter into any contract

whatsoever. In the alternative, PWSRCAC may select the proposal or proposals that, in its sole view, most nearly conform to its needs as outlined in this RFP; and then negotiate directly with that contractor to refine the proposal to achieve a contract that fully satisfies PWSRCAC needs.

C. Professional Services Contract. A copy of PWSRCAC's standard professional services contract form can be found at http://www.pwsrcac.org/wp-content/uploads/filebase/newsroom/rfps/professional_services_agreement.pdf or can be made available upon request.

D. PWSRCAC Information. The following information about PWSRCAC is available upon request to the project manager:

PWSRCAC/Alyeska Contract

PWSRCAC Bylaws

PWSRCAC Observer Newsletter

PWSRCAC Annual Report