



Agenda Item No. 2

To: Building & Operating Committee/Committee of the Whole
Meeting of May 24, 2007

From: Ewa Z. Bauer, Deputy District Engineer
Denis J. Mulligan, District Engineer
Celia Kupersmith, General Manager

Subject: **APPROVE ACTIONS RELATIVE TO THE AWARD OF CONTRACT NO. 2007-BT-4, SANTA ROSA BUS FACILITY DIESEL TANKS REPLACEMENT, TO AMERICAN CONSTRUCTION AND ENVIRONMENTAL SERVICES, INC.**

Recommendation

The Building and Operating Committee recommends that the Board of Directors approve the following actions relative to Contract No. 2007-BT-4, *Santa Rosa Bus Facility Diesel Tanks Replacement*:

1. Award Contract No. 2007-BT-4 in the amount of \$664,333 to American Construction and Environmental Services, Inc.;
2. Authorize a contingency fund in the amount of \$66,430, equal to 10% of the contract award; and,
3. Authorize a budget transfer of \$77,000 from the FY 06/07 District Division's Engineering Department Operating Budget to the FY 06/07 Bus Division Capital Budget, subject to the concurrence of the Finance-Auditing Committee;

with the understanding that this project is included in the FY 06/07 Bus Division Capital Budget.

This matter will be presented to the Finance-Auditing Committee at its May 24, 2007, meeting for concurrence and to the Board of Directors at its May 25, 2007, meeting for appropriate action.

Summary

The current diesel storage system at the Santa Rosa Bus Facility consisting of two double-walled underground storage tanks was installed in 1998. One of the two tanks developed a leak between its primary and secondary tank walls. The noncompliant tank was drained and cleaned in-situ per applicable regulations while a long-term course of action was developed.

After considering the available options, the decision was made to remove both of the underground diesel storage tanks and to replace them with new aboveground diesel storage tanks.

This project will remove the two existing underground diesel storage tanks and install two new aboveground concrete-encased double-walled steel diesel storage tanks adjacent to the existing fueling building with all the necessary monitoring devices that comply with the regulations. A new structural steel shelter will be constructed to mitigate the visual impact of the new aboveground tanks and to protect the fueling system from the elements.

Staff has prepared the plans and specifications to construct Contract No. 2007-BT-4, *Santa Rosa Bus Facility Fuel Tanks Replacement*.

This Contract was advertised for bids on April 17, 2007. On May 15, 2007, the following three bids were received for Contract No. 2007-BT-4, opened and publicly read:

	<u>COMPANY</u>	<u>AMOUNT</u>
1.	American Construction and Environmental Services, Inc., Brentwood, CA	\$664,333.00
2.	GEMS Environmental Management Services, Inc., Pittsburgh, CA	\$736,195.80
3.	Paradiso Mechanical, Inc., San Leandro, CA	\$760,500.00

The apparent low bidder is American Construction and Environmental Services, Inc., with a bid price of \$664,333. The Engineer's estimate was \$660,000. At the time of the preparation of this report, the Engineering staff, DBE Program Administrator and Attorney have not completed evaluation of the bids. In anticipation that the apparent low bid will be found responsive and the low bidder to be responsible, staff recommends award of the Contract to American Construction and Environmental Services, Inc., Brentwood, CA.

No contract-specific Disadvantaged Business Enterprise (DBE) participation goal was established for this Contract; however, bidders were strongly encouraged to obtain DBE participation and were required to document their activities in the solicitation and selection of subcontractors and suppliers to ensure that the bidding process was carried out in a nondiscriminatory manner. The DBE Program Administrator has determined that American Construction and Environmental Services, Inc., has complied with the DBE requirements applicable to the Contract. At this time, no DBE participation is anticipated during the performance of this contract.

Fiscal Impact

This project is included in the FY 06/07 Bus Division Capital Budget in the amount of \$735,000 and is 41% FTA and 59% District funded. The detailed budget for this project is as follows:

Contract No. 2007-BT-4	\$ 664,333
Construction Contingency	66,430
Construction Administration (Staff)	66,430
Materials Testing & Electrical Inspection	9,320
Permit Application Fees	1,987
Miscellaneous (printing, advertisement, mailing, etc.)	<u>3,500</u>
TOTAL BUDGET	\$ 812,000

Award of this contract will require a project budget transfer of \$77,000 from the District Division's Engineering Department Operating Budget.