

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 02/27/06		Item Number: <u>C-5</u>	
AGENDA ITEM: Authorization of Construction Contract with Environmental Assessment and Remediation, Inc., dba EAR Engineering, Construction & Support Services ("EAR") for Underground Storage Tank Modification Project at Fire Station #1			
Contact Person/Dept.: Jane Leonard		Phone Number: 310-253-6523	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☒ Attachments: ☐	
Public Notification: Master Notification List (02/23/06); EAR Engineering, Construction & Support Services (02/16/06); EFS West (02/16/06); TLM Petro Labor Force (02/16/06)			
Department Approval: Stephen C. Cunningham (02/15/06)		CAO Approval: Martin Cole for Jerry B. Fulwood (2/21/06)	
City Controller Approval: Marlee Chang (2/20/06)			
<u>RECOMMENDATION:</u> Staff recommends the City Council award a construction contract with Environmental Assessment and Remediation, Inc., dba EAR Engineering, Construction & Support Services ("EAR"), for modifications to the underground storage tank (UST) components at Fire Station #1, in accordance with Bid #1315, in an amount Not to Exceed \$79,916.00. <u>BACKGROUND:</u> As of April 1, 2005, all Gasoline Dispensing Facilities (GDFs) were required by the State's Air Resources Board, through its Air Quality Management Districts (AQMD), to upgrade the Phase I vapor recovery systems on underground fuel storage tanks dispensing unleaded fuel to meet enhanced vapor recovery (EVR) standards. As of this date, any GDF operating without these EVR upgrades is considered non-compliant with State regulations and AQMD Rule 461 requirements. Culver City's Fire Station #1 is not in compliance with this environmental requirement. In accordance with the District's regulations, no unleaded fuel has been delivered to this site, nor has the system been utilized since April 1, 2005. However, standard vapor recovery testing has been performed, and the site is in compliance with regard to testing requirements. In conjunction with the mandated EVR upgrade, staff proposed that additional, concurrent modifications be made to Fire Station #1's UST components, namely upgrade of the site's spill monitoring equipment (VeederRoot); tie-in of the upgraded system with visual and audio overfill alert systems; replacement of tank spill			

City of Culver City, California
City Council Agenda Item Report

containment sumps; raising of the concrete tank pad and replacement of all component lids to avert water seepage from Fire Department operations on site.

The project was anticipated, and projected funding was set aside in Capital Improvement Project # 844 for FY05-06.

After cooperative efforts by Transportation, Public Works, the Fire Department and the City Attorney's Office, Bid #1315, Underground Storage Tank Modification Project, was released on January 5, 2006. The Bid Scope of Work was outlined in three parts, requiring prospective bidders to itemize fees for permits, labor, parts, equipment, and other costs. Staff used this pricing method to compare projected costs, identify inconsistencies between bidders, and allow modifications to the construction elements during final decision making.

A mandatory job walk was held on January 19, 2006 at Fire Station #1, attended by representatives from eleven (11) UST construction companies.

An Addendum to the Bid, issued on January 27, 2006, included instruction to Bidders to provide an Alternate Plan for the tie-in of the upgraded system with visual and audio overflow alert systems, which would preclude the need for trenching and replacement of conduit at the site, thus potentially reducing the overall cost of the project. Responses to additional questions posed by Bidders were provided to all interested parties.

The City received three (3) proposals, as follows:

- TLM Petro Labor Force in the Total Base Bid Amount of \$238,407.60
- EFS West in the Total Base Bid Amount of \$146,252.00
- EAR Management in the Total Base Bid Amount of \$72,651.00

DISCUSSION:

All bidders were equally qualified to perform the specified work, and all bid documents were satisfactorily submitted. However, substantial discrepancies exist between the bid values. All bidders were given specific instructions about completion of bid pricing sheets, not all of which were followed, but were clear enough for staff to understand total base bid values. The liability insurance requirement, established by the City Attorney's Office, for a minimum of \$3 million precluded bid submissions by a number of contractors.

City of Culver City, California
City Council Agenda Item Report

EAR's bid is the lowest, most responsible and responsive bid. EAR operates as an engineering firm with in-house construction crews, Electrical Engineers and Registered Geologists, keeping subcontracting and additional costs to a minimum. Their pricing for permits, equipment, parts and labor is in accordance with staff's knowledge of market price for these project elements.

FISCAL ANALYSIS:

Fiscal Year 05-06 Capital Improvement Project #844 has earmarked funds for the Underground Storage Tank Modification Project at Fire Station #1.

Staff is requesting an additional 10% contingency value of \$7,265.00, given the possibility of unanticipated problems associated with replacement of UST components, i.e. obstructions, contaminated soil, etc.

The City Controller has reviewed and approved this agenda item as per the Fiscal Analysis.

ATTACHMENTS:

None.

MOTION:

That the City Council:

1. Authorize the contract with Environmental Assessment and Remediation, Inc., dba EAR Engineering, Construction & Support Services, in the amount not to exceed \$79,916.00 for modifications to the underground storage tanks located at Fire Station #1, per the Scope of Work in Bid #1315.
2. Authorize the Purchasing Officer to issue a Purchase Order to EAR Management in an Amount Not to Exceed \$79,916.00 (includes 10% contingency).
3. Direct the City Attorney to prepare necessary contract documents and authorize the Chief Administrative Officer and City Controller to sign the contract.