

City of Culver City, California
City Council Agenda Item Report

Meeting Date: August 11, 2008		Item Number: <u>C-5</u>	
AGENDA ITEM: Approval of a Contract with JEM Industries, Inc. for Enhanced Vapor Recovery-Phase II Upgrades for Fueling Stations at the Transportation Facility, Police Department and Fire Station #1 (P-844).			
Contact Person/Dept.: Eric Mirzaian-Public Works		Phone Number: (310) 253-6410	
Fiscal Impact: Yes ☒ No ☐ General Fund: Yes ☐ No ☒			
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Public Notification: Master E-Mail Notification List (08/06/08); JEM Industries, Inc.; Fleming Environmental, Inc.; HMD Group, Inc.; Advanced Environmental Services, Inc.; via letter on August 4, 2008.			
Department Approval: Charles D. Herbertson (08/04/08)		City Attorney Approval: Carol Schwab (by H. Baker) (08/06/08)	
Chief Financial Officer Approval: Jeff Muir (by N. Kimball) (08/06/08)		City Manager Approval: Jerry B. Fulwood (08/06/08)	
<u>RECOMMENDATION:</u> Staff recommends the City Council approve a contract with JEM Industries Inc. (JEM) for the Enhanced Vapor Recovery (EVR)-Phase II upgrades for the fueling stations at the Transportation Facility, Police Department, and Fire Station #1. <u>BACKGROUND:</u> In March of 2000, the California Air Resources Board (CARB) approved the EVR regulation amendments. The regulations established new standards for vapor recovery systems to reduce emissions during storage and transfer of gasoline at gasoline dispensing facilities or service stations. The EVR requirements began being phased in from 2001 and will continue until 2010. Gasoline vapor emissions are controlled during two types of gasoline transfer. Phase I vapor recovery required collection of vapors when a tanker truck fills the service station's underground storage tank. Phase II vapor recovery requires collection of vapors during vehicle refueling. Phase I and II vapor recovery equipment also help control emissions from gasoline storage at service stations. All four City fueling facilities (Transportation, Police Department, Fire Station #1 and Fire Station #2) are Phase I compliant. All the fuel dispensing sites, with the exception of Fire Station #2, must be Phase II compliant by April 1, 2009 per CARB Executive Order VR-201-E. Fire Station #2 will be exempt from the Phase II mandates since the			

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existing underground storage tanks at this location are in the process of being replaced with above ground tanks and Phase II mandates do not apply to above ground tanks.

DISCUSSION:

On June 23, 2008, the City Council approved the release of a Request for Proposal (RFP) for this project. On June 26, 2008, RFP #1392 was released to qualified contractors, and advertised on the City's website and in the Culver City News.

On July 24, 2008, the following bids were received via a public bid opening:

JEM Industries, Inc.

Transportation without enclosure.....	\$28,681.09
Police Department with enclosure.....	\$ 30,441.75
Fire Station #1 with enclosure.....	\$ 34,556.46
<u>Permits.....</u>	<u>\$ 8,966.10</u>
Total	\$102,645.40

Advanced Environmental Services, Inc.

Transportation without enclosure.....	\$33,003.00
Police Department with enclosure.....	\$36,485.00
Fire Station #1 with enclosure.....	\$37,380.00
<u>Permits.....</u>	<u>\$6,474.00</u>
Total	\$113,342.00

HMD Group, Inc.

Transportation without enclosure.....	\$38,980.00
Police Department with enclosure.....	\$34,980.00
Fire Station #1 with enclosure.....	\$38,980.00
<u>Permits.....</u>	<u>\$12,000.00</u>
Total	\$124,940.00

Fleming Environmental, Inc.....

<u>Permits.....</u>	<u>\$7,500.00</u>
Total.....	\$112,500.00

**Fleming's bid was determined to be incomplete as noted below.*

Per an addendum issued to all contractors who attended the mandatory pre-bid meeting, proposers were required to submit two bid amounts for each facility: one bid to include enclosures for the clean air separator tank and one bid without an enclosure. The City's Planning Division has requested enclosures to be installed around the clean air separator tank at the Police Department and Fire Station #1, while the clean air separator tank at the Transportation Facility can be installed without an enclosure. The bid submitted by Fleming Environmental, Inc. has been determined to be incomplete

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since it did not indicate if it included enclosures or not. Thus, JEM is considered the most responsive and qualified bidder for this project.

Staff has confirmed with the Contractors State License Board that JEM's license is current and in good standing.

FISCAL ANALYSIS:

Funding for this project has been allocated into the Capital Improvement Project Fund account 42000844 (UST Upgrades on City Property) for the UST upgrades at the Police Department and Fire Station #1. Funding has been included in the Transportation Fund for the upgrade at the Transportation facility (20368300.732120). The Transportation portion of the contract will be approximately \$30,000.

Public Works staff is also recommending a fifteen percent (15%) contingency equaling \$15,500 for this project. There is sufficient funding included in P-844 and the Transportation Fund to cover the recommended contract amount and the recommended 15% contingency.

ATTACHMENTS:

1. Copy of proposal from JEM Industries, Inc.

MOTION:

That the City Council:

1. Approve a contract with JEM Industries, Inc. for the Enhanced Vapor Recovery Upgrades for fueling facilities at the Transportation Facility, Police Department and Fire Station #1 in the amount of \$102,645.40; and,
2. Authorize the Director of Public Works/City Engineer to approve change orders in an amount not to exceed \$15,500 (15%); and,
3. Authorize the City Attorney to review/prepare the necessary documents; and,
4. Authorize the City Manager to execute such documents on behalf of the City.