

ALAMEDA-CONTRA COSTA TRANSIT DISTRICT



STAFF REPORT

MEETING DATE: 12/8/2021

Staff Report No. 20-467a

TO: AC Transit Board of Directors

FROM: Michael A. Hursh, General Manager

SUBJECT: Division 2 Single Wall Underground Storage Tank Replacement

ACTION ITEM

RECOMMENDED ACTION(S):

Consider approving the award of a fixed price construction contract to GEMS Environmental Services Inc. in the amount of \$525,803 for the replacement of the single wall underground storage tank (UST) at the District's Division 2 (D2) Emeryville location.

STRATEGIC IMPORTANCE:

Goal - Environmental Improvement

Initiative - Infrastructure Modernization

This project will allow the District to comply with SB 445 in advance of the statutory deadline.

BUDGETARY/FISCAL IMPACT:

The project is fully funded with State of Good Repair (STA-SGR Capital) funds. This project is included in the Board approved FY 2021-22 Capital Budget. The costs are consistent with funding allocations in the Capital Budget and less than the Engineer's Independent Construction Cost Estimate.

BACKGROUND/RATIONALE:

SB 445 requires that all single wall underground storage tanks (UST) be removed and replaced with either a dual wall containment tank or an above ground storage tank (AST). There are three of these tanks on AC Transit property and this project provides regulatory compliance for the tank located at the Emeryville Division. There are two other tanks at the Central Maintenance Facility, which are in the process of being replaced.

Plans and specifications to remove the single wall underground storage tank at D2 and replace it with an aboveground storage tank were completed in May 2021. AC Transit issued an Invitation For Bid (IFB), performed appropriate outreach, and conducted two pre-bid conferences. The District received four (4) qualified bids. Three (3) bids were within the Engineer's Estimate.

GEMS Environmental Services, Inc. of Concord, California is the apparent lowest responsive and responsible

bidder with a base bid of \$300,803 and fixed allowances of \$225,000 resulting in a total bid of \$525,803. The Contract was competitively bid during the offering period. The bid from GEMS Environmental Services, Inc. indicates a Small Business Enterprise (SBE)/Disadvantaged Business Enterprise (DBE) participation of 70% which exceeds the 10% goal established for this contract.

Procurement Timeline

IFB Posted: August 20, 2021
Pre-Bid Conferences: August 31 and September 14, 2021
Bids Opened: October 12, 2021

Vendor Outreach

The Procurement Department sent direct notification to 1,260 potential Contractors/Vendors. AC Transit's Civil Rights and Compliance Department notified 368 entities of the pending bid.

ADVANTAGES/DISADVANTAGES:

Removing the UST will ensure the District is in compliance with SB 445 requirements at the Emeryville Division. Installation of the replacement aboveground storage tank will provide diesel fuel for the division's emergency generator operation.

Staff has not identified any disadvantages.

ALTERNATIVES ANALYSIS:

Staff considered deferring this project however, this approach is not recommended. Failure to comply with the regulator requirement may result in violations and punitive fines, until the UST can be permanently closed. Additionally, the costs associated with this work may increase, as more entities work to comply with SB 455 creating additional demand for the limited pool of qualified contractors to perform this scope of work.

PRIOR RELEVANT BOARD ACTION/POLICIES:

Staff Report 20-467: Single-Wall Underground Storage Tank Replacement at D2 (Emeryville) Permission to Solicit
Board Policy 465, Procurement Policy

ATTACHMENTS:

None

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