

CITY OF SANTA ROSA
BOARD OF PUBLIC UTILITIES

TO: BOARD OF PUBLIC UTILITIES
FROM: RICHELMA MAEDA, ASSOCIATE CIVIL ENGINEER
CAPITAL PROJECTS ENGINEERING
SUBJECT: CONTRACT AWARD – LAGUNA TREATMENT PLANT
EMERGENCY GENERATOR FUEL TANK AND FLEET FUELING
STATION REPLACEMENT PROJECT, CONTRACT NO. C02192

AGENDA ACTION: MOTION

RECOMMENDATION

It is recommended by the Transportation and Public Works and Water Departments that the Board of Public Utilities, by motion, award Construction Contract No. C02192 in the amount of \$1,267,135.60 to the lowest responsive bidder, CIC of Cupertino, CA for Laguna Treatment Plant Emergency Generator Fuel Tank and Fleet Fueling Station Replacement, approve a 15% contingency, and authorize a total contract amount of \$1,457,205.94.

EXECUTIVE SUMMARY

This motion will award a construction contract in the amount of \$1,267,135.60 to the lowest responsive bidder, CIC, of Cupertino, CA, approve a 15% contract contingency, and authorize a total contract amount of \$1,457,205.94 for the Laguna Treatment Plant Emergency Generator Fuel Tank and Fleet Fueling Station Replacement, Contract No. C02192.

BACKGROUND

The emergency generator system for the Laguna Treatment Plant (Plant) was installed in 1990. The system provides emergency power to enable plant operation to maintain National Pollutant Discharge Elimination System (NPDES) compliance, in the event that the Plant's primary power source is unavailable from Pacific Gas and Electric Company (PG&E). In recent years, Plant staff have noted the frequency of power outages has increased with PG&E's implementation of Public Safety Power Shutoffs (PSPS). The unpredictable frequency of PSPS has escalated the City's need to address the aged condition of the emergency generator system, which includes a 15,000-gallon diesel fuel underground storage tank (UST). The existing UST's outer containment wall is deforming, which prevents required monitoring of the annular space for leakage. Failure of the tank

could result in fuel loss (leakage into the ground) and fuel contamination (from groundwater intrusion), ultimately impacting the operation of the emergency generators. Due to the cost-effectiveness to permit and install an aboveground storage tank (AST), and the simplified monitoring, inspecting, and repairing they allow, the existing UST will be replaced with ASTs.

The Laguna Treatment Plant Emergency Generator Fuel Tank and Fleet Fueling Station Replacement project (Project) will replace the antiquated emergency generator and fuel storage tank system with the following project components:

- Removal of the existing diesel 15,000-gallon UST
- Removal of the existing diesel fuel dispensing station
- Installation of a new 20,000-gallon AST
- Installation of a new 1,500-gallon dual-fuel diesel/gasoline AST
- Installation of a new dual-fuel diesel/gasoline dispensing station

PRIOR BOARD OF PUBLIC UTILITIES REVIEW

On March 3, 2022, the Board of Public Utilities approved Resolution No. 1286, a sole source contract specification for the FuelMaster 2500 Plus fuel management system and Integrated PROKEE for the Project.

ANALYSIS

This project was advertised on May 9, 2022, and bids were received on June 7, 2022. A total of four (4) bids were received, ranging from \$1,267,135.60 to \$2,199,000.00. The apparent low bid submitted by CIC was \$1,267,135.60, approximately 29.10% above the Engineer's Estimate of \$981,483.20. Construction is anticipated to begin in October 2022 and be complete in August 2023.

Upon further review of bids, the cost difference between the Engineer's Estimate and bid price can be attributed to construction industry factors including current supply and labor shortages, material cost increases, and rising inflation, among other factors interpreted by individual bidders. For perspective on the volatility of the construction market and uncertainty in estimating costs, the Engineering News-Record (ENR) Construction Cost Index for San Francisco, CA increased by approximately 14 percent and the ENR Materials Price Index increased by approximately 32 percent over the last 12 months.

FISCAL IMPACT

Approval of this contract has no additional impact on the budget. Funds for this project were previously appropriated in Santa Rosa Water's Capital Improvement Program Budget.

CONTRACT AWARD – LAGUNA TREATMENT PLANT EMERGENCY GENERATOR
FUEL TANK AND FLEET FUELING STATION REPLACEMENT PROJECT,
CONTRACT NO. C02192
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ENVIRONMENTAL IMPACT

This action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15303 (New Construction or Conversion of Small Structures) and 15301 (Existing Facilities).

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

ATTACHMENTS

- Attachment 1 – Location Map
- Attachment 2 – Summary of Bids

CONTACT

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