

Agenda Report

TO: CITY COUNCIL DATE: NOVEMBER 3, 2003

FROM: CITY MANAGER

SUBJECT: AUTHORIZATION TO INCREASE PURCHASE ORDER #21672 WITH

C.E. THOMAS FOR FUEL ISLAND REPAIRS.

RECOMMENDATION

It is recommended that the City Council authorize an increase in the amount of \$37,075 to purchase order number 21672, with C.E. Thomas for fuel island repairs, thereby increasing the not-to-exceed amount from \$62,895 to \$99,970.

BACKGROUND

In February, 2003, the Air Quality Management District (AQMD) inspected the four City fueling sites and issued a Notice of Violation (NOV) for each site for using a remote fill design. This design is not certified by the California Air Resources Board (CARB) and is therefore disallowed by the AQMD. The NOV gives notice that the problem must be corrected and can result in the fueling site being closed until the violation is corrected.

As part of the FY2004 CIP, Council approved \$300,000 to make the required regulatory repairs of four fuel sites. On August 21, 2003, the City issued a formal bid to make repairs at the Police Department fueling site. The bid was opened on September 3, 2003 and a purchase order was issued to C.E. Thomas in the amount of \$62,895.

Not having any record drawings of the existing tank system, the repair design was based on general AQMD certified design standards. After excavation of the site, it was found 1) that the existing design lacked the number of tank connection points in the sumps necessary to install the required equipment; and 2) the existing sumps were undersized and could neither accommodate additional connection points nor, based on their condition, would they pass today's rigorous testing.

The undersized sumps had to be removed and replaced. This required new piping to be installed from the new sumps to the fuel island and dispensers. Once new piping was installed, current regulations require them to be covered with pea gravel. To stop work while a new bid was issued or a change order approved would have delayed the repairs considerably, impacting the City's ability to meet the AQMD deadlines. In accordance with Section 4.08.150 of the City Charter allowing emergency purchases, C.E. Thomas was

MEETING OF ________ AGENDA ITEM NO. ______4.A.6.

Page 2, Regulatory Repairs

instructed to incorporate the new design and continue repairs, therefore the work reported has been completed and staff is requesting that City Council approve the appropriate revisions in the purchase order so the contractor can be paid.

FISCAL IMPACT

\$300,000 was approved by Council as part of the FY2004 CIP, account 8114-301-71143. There are sufficient funds in this account to cover this increase. The original purchase order with C.E. Thomas was \$62,895. This change order will increase the total cost of this contract to \$99, 970.

Respectfully submitted:

CYNTHIA J. KURTZ

City Manager

Prepared by:

DOUGLAS K. LEE

Management Analyst V, Building

Systems and Fleet Management Division

Reviewed by:

ROBERT É. MARKHAM. II

Administrator, Building Systems and

Fleet Management Division

Approved by:

MARTIN PASTUCHA, Director

Department of Public Works