

Agenda Report

January 9, 2023

TO: Honorable Mayor and City Council

FROM: Department of Public Works

SUBJECT: **CONTRACT AWARD TO ORANGE COAST PETROLEUM EQUIPMENT, INCORPORATED TO FURNISH AND DELIVER ABOVEGROUND STORAGE TANK REPLACEMENT AND CONSTRUCTION OF CONCRETE FOUNDATION FOR AN AMOUNT NOT-TO-EXCEED \$339,492.**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that this action is exempt under the California Environmental Quality Act (CEQA) in accordance with Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment; and
2. Accept the bid dated November 7, 2022, submitted by Orange Coast Petroleum Equipment Incorporated (OCPE) in response to specifications to furnish and deliver aboveground storage tank replacement and construction of concrete foundation; reject all other bids; and authorize the City Manager to enter into a contract not to exceed \$339,492, which includes the base contract amount of \$295,210 and a contingency of \$44,282 to provide for any necessary change orders.

BACKGROUND:

The Department of Public Works, Building Systems and Fleet Management Division (BSFMD) repairs and maintains the City's fleet of over 1,100 vehicles and equipment. The fleet shop currently houses three aboveground lubrication storage tanks and several smaller portable barrels used to hold multiple types of lubrication oils in the servicing of our diverse fleet. The aboveground tanks are over 30 years old and made of single wall construction making them vulnerable to potential leaks. These tanks are in need of replacement to bring them up to today's industry standards and provide a more safe and organized lubrication dispensing footprint.

The replacement tank will be made with double wall construction, providing an additional layer of containment in the rare event of an oil spill. It will also consolidate the

existing products currently stored in three separate tanks and multiple barrels into one multi-compartment tank. This will create a more organized space for servicing of City fleet. In addition, new high-volume pumps will be installed providing dispensing and monitoring of 11 lubrication oils to all areas of the fleet shop. Lastly, this award also includes the removal of the existing concrete foundation and construction of a new seismically stable foundation to secure the new tank and meet regulatory requirements.

On October 6, 2022, a Notice Inviting Bids to furnish and deliver aboveground storage tank replacement was posted on PlanetBids and was published in the local paper on October 13, 2022. The posting generated notices to all vendors who have previously registered with the City for this particular commodity class. Staff referenced a list of local vendors in the City's business license database as well as online web searches in an attempt to reach potential local vendors that can provide the scope of work detailed in the solicitation. Local companies were identified and contacted regarding the bidding opportunity. A total of 57 vendors downloaded the specifications of which three were local.

A mandatory pre-bid meeting was held on October 20, 2022. Seven prospective bidders attended the meeting, one of which was local.

BID RESULT:

Two bids were received by the November 7, 2022 bid opening date, one of which was local. The bid results are as follows:

Bidder		Amount (\$)
1. Orange Coast Petroleum Equipment, Inc.	Orange, CA	\$295,210
2. Pacific Lift and Equipment Company, Inc.	Pasadena, CA	\$440,991

The City has not previously done business with OCPE. OCPE has installed aboveground tanks in the City of Pasadena for several clients including Ganahl Lumber, and Brookside Golf Course through the Rose Bowl.

OCPE is the lowest responsive and responsible bidder. Staff therefore recommends that this vendor be awarded the contract to furnish and deliver aboveground storage tank replacement and necessary construction. This proposed contract with OCPE fully complies with the Competitive Bidding Ordinance.

The contract will be set out as follows:

Base Bid	\$295,210
Contingency Allowance (15%)	<u>\$ 44,282</u>
TOTAL	\$339,492

The contingency allowance is to address any change orders during the life of the project.

COUNCIL POLICY CONSIDERATION:

By providing the departments with the proper equipment to perform their function, the proposed purchase furthers the City Council's Strategic Plan goals to ensure public safety, increase conservation and sustainability, and maintain fiscal responsibility and stability.

ENVIRONMENTAL IMPACT:

This action is exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3), the General Rule that CEQA only applies to projects that may have an effect on the environment.

FISCAL IMPACT:

The total cost of this contract and this action is \$339,492. Funding for this project will be addressed by utilization of existing budgeted appropriations in the Fleet Maintenance Fund accounts 51122058-811400. There is no anticipated impact to other operational programs, General Fund, or capital projects as a result of this action.

Respectfully submitted,



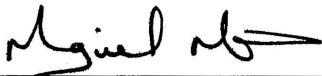
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