



CITY OF LONG BEACH

R-22

DEPARTMENT OF FINANCIAL MANAGEMENT

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September 2, 2008

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. PA-01808 and award a contract to FR Construction, Inc., for the repair and upgrade of piping and dispenser secondary containment portion of the Underground Storage Tank (UST), at 160 Market Street (Fuel Site 11) and 2950 Redondo Avenue (Fuel Site WD1) as needed to keep these sites in compliance with the rules and regulations set forth in Title 23 of the State Health and Safety Code. The estimated annual amount of the contract is \$130,788 plus a 25 percent contingency if necessary and if funding is available, with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to enter into an annual contract with FR Construction Inc., for the repair and upgrade of the underground storage tank (UST) piping and dispenser secondary containment project at 160 Market Street (Fuel Site 11) and 2950 Redondo Avenue (Fuel Site WD1) in order to bring the sites into compliance as mandated by Title 23 of the State Health and Safety Code. These sites have been temporarily closed pending completion of the needed repairs. The maintenance of these fuel sites is vital to the operation and services of the City. Fuel Site 11 is the only diesel fueling station in the North Long Beach area providing fuel for emergency equipment. Fuel Site WD1 supplies fuel to the emergency generator for the Water Department's fresh water treatment plant and the plant's vehicles. The Department of Public Works, Fleet Services Bureau, faces the challenge of maintaining all USTs and bringing them into compliance under Title 23 of the California Code of Regulations. These UST sites need to be repaired and upgraded in order to comply with Federal, State and local rules and regulations.

The bid was advertised on June 19, 2008 and 14 potential bidders specializing in UST secondary repair and Enhanced Vapor Recovery (EVR) upgrades were notified of the bid opportunity; three are Minority-owned Business Enterprises (MBEs), two are Women-owned Business Enterprises (WBEs), none are Long Beach businesses, and three are certified Small Business Enterprises (SBEs). The bid document was made available from the Purchasing Division, located on the Plaza Level of City Hall, and the Division's website at www.longbeach.gov/purchasing. A bid announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 30 local, minority and women's business groups. Bids were opened on July 15, 2008. FR Construction, Inc., of Artesia, CA (a MBE) was the lowest responsible bidder.

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This item was reviewed by Deputy City Attorney Amy R. Burton on August 5, 2008 and Budget Management Officer Victoria Bell on August 14, 2008.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. PA-01808 and award a contract concurrently is requested on September 2, 2008 to ensure prompt compliance with the mandates of the State of California Water Resources Control Board, South Coast Air Quality Management District and County of Los Angeles Certified Unified Program Agency.


FISCAL IMPACT

The annual cost of this contract is estimated to be \$130,788. The funds are budgeted in the Fleet Services Fund (IS 386) in the Department of Public Works (PW). The City will have the option of adding expenditures up to 25 percent (or \$32,697) above the contract amount, if necessary and if funding is available. Costs will be reimbursed by the Water Enterprise Fund (EF 310) and the General Fund (GP).

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LORI ANN FARRELL
DIRECTOR OF FINANCIAL MANAGEMENT/CFO



MICHAEL P. CONWAY
DIRECTOR OF PUBLIC WORKS

LAF:ES:LMB
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APPROVED:



PATRICK H. WEST
CITY MANAGER