

SUBJECT: AWARD OF CONTRACT – TRANSIT MAINTENANCE & CNG FUELING FACILITY EXPANSION PROJECT

SOURCE: Public Works Department - Engineering Division

COMMENT: On February 18, 2015, staff received three (3) bids for the Transit Maintenance & CNG Fueling Facility Expansion Project. The Base Bid includes constructing a minimum of twenty (20) new "time fill" CNG dispenser locations for use by the City's expanding CNG-vehicle fleet. The expansion will include connections to existing upstream CNG-supply headers, routing of new distribution headers, location and configuration of new time-fill stations, supporting electrical work for under canopy lighting, and emergency shutdown buttons at the new dispensing areas.

The expansion project will include civil construction work as well as structural work. The civil elements of the project will include grading, infill and paving of existing ponds, concrete improvements, installation of storm drainage system, and water main for fire protection. The structural aspect of the project will consist of installing two new pre-engineered canopies. The new canopies will generally match existing canopies. There will also be construction of structural support for the new CNG-fueling dispensers. The CNG Expansion Project includes installation of solar panels on the pre-engineered canopies; however, these solar panels or Solar Photovoltaic Systems are intended as add alternates. The add alternates are listed as follows:

CNG Fueling Facility Expansion Project Add Alternates.

- Add Alternate A – Installation of "Solar Photovoltaic System 1" 40 kilowatt system.
- Add Alternate B - Installation of "Solar Photovoltaic System 2" 40 kilowatt system.
- Add Alternate C - Installation of "Solar Photovoltaic System 3" 40 kilowatt system.
- Add Alternate D – Installation of "Solar Photovoltaic System 4" 40 kilowatt system.

Unfortunately, after a thorough review of all of the received bids, it was determined that the high bid is the only responsive bidder. The low bidder did not comply with the "Self Performance" clause, which requires the prime contractor to perform fifty (50) percent of the contract with his/her forces. The low bidder also failed to meet the requirements of the City's Disadvantaged Business Enterprise (DBE) program requirements. The

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second low bidder also failed to meet the City's DBE program requirements.

This project is partially funded by a Federal Transit Administration grant, which requires the City to establish a DBE goal specific to the construction trades involved in this project. The DBE goal for this project was 7.5%. In order to meet the DBE federal requirements, bidders need to provide both the achieved DBE obtained percentage and/or "Good Faith" effort. In other words, if the responsive low bidder meets the DBE goal, then a "Good Faith" effort is not required. If the DBE goal is not met, then the low bidder must prove to the agency that a "Good Faith" effort was attempted during the bidding process. The responsive bidder exceeded the City's DBE goal by documenting that DBE contractors will perform 42.89% of the construction project, far exceeding the established 7.5%.

The Engineer's Estimate of probable cost for the Base Bid is \$1,081,617.20 and \$2,141,383.60, including all add alternates. The add alternates, if awarded, will establish a solar photovoltaic system that will assist in offsetting some of the electrical costs for the entire CNG facility. The responsive bidder is 5% under the Base Bid Engineer's Estimate and 1.9% above the Engineer's Estimate for the complete bid.

The responsive bidder's bid for the project is \$2,183,212.75. An additional \$218,321.28 is required for construction contingency (10%). It is anticipated that an additional \$109,160.64 is required for construction management, quality control, inspection services, and construction surveying (5%). The total estimated cost for the project is \$2,510,694.66.

Partial funding was approved in the 2014/2015 Annual Budget for CNG Facility Expansion and the Council approved a budget augmentation of \$300,000 of Solid Waste Funds to provide a total budget amount of \$1,821,228, which includes Local Transportation Funds (LTF) that are typically slated for Transit. Staff is recommending approval of the entire project, Base Bid plus all Add Alternates. In order to accomplish this, the Transit Operator was successful in obtaining an additional \$400,000 in Federal Transportation Funds (Section 5309 and 5307 Federal Funding), which requires a \$100,000 local match of LTF funds. There is still a need of \$189,467 to fully fund the project.

The following is a summary of current available funding:

**Current Available Funds**

Federal Transit Administration:	\$1,535,228
Local Transportation Funds:	\$ 386,000
Solid Waste Fund:	<u>\$ 300,000</u>
Current Available Fund Total:	\$2,221,228

**Proposed Budget Augmentation**

Solid Waste Fund:	\$ 100,000
Local Transportation Fund:	<u>\$ 189,467</u>
Proposed Augmentation:	\$ 289,467

Proposed total amount: \$2,510,695

The bids are as follows:

<u>Contractor</u>	<u>Amount</u>
1. Diversified Project Services* Bakersfield, CA	\$2,107,320.35
2. RJ Berry* Selma, CA	\$2,130,280.00
3. Lee's Paving Visalia, CA	\$2,183,212.75

\*Non-responsive bid

Staff has found the responsive bidder's bid acceptable and in compliance with the specification requirements for the project. It should be noted that all three bidders were within 3.47% of each other.

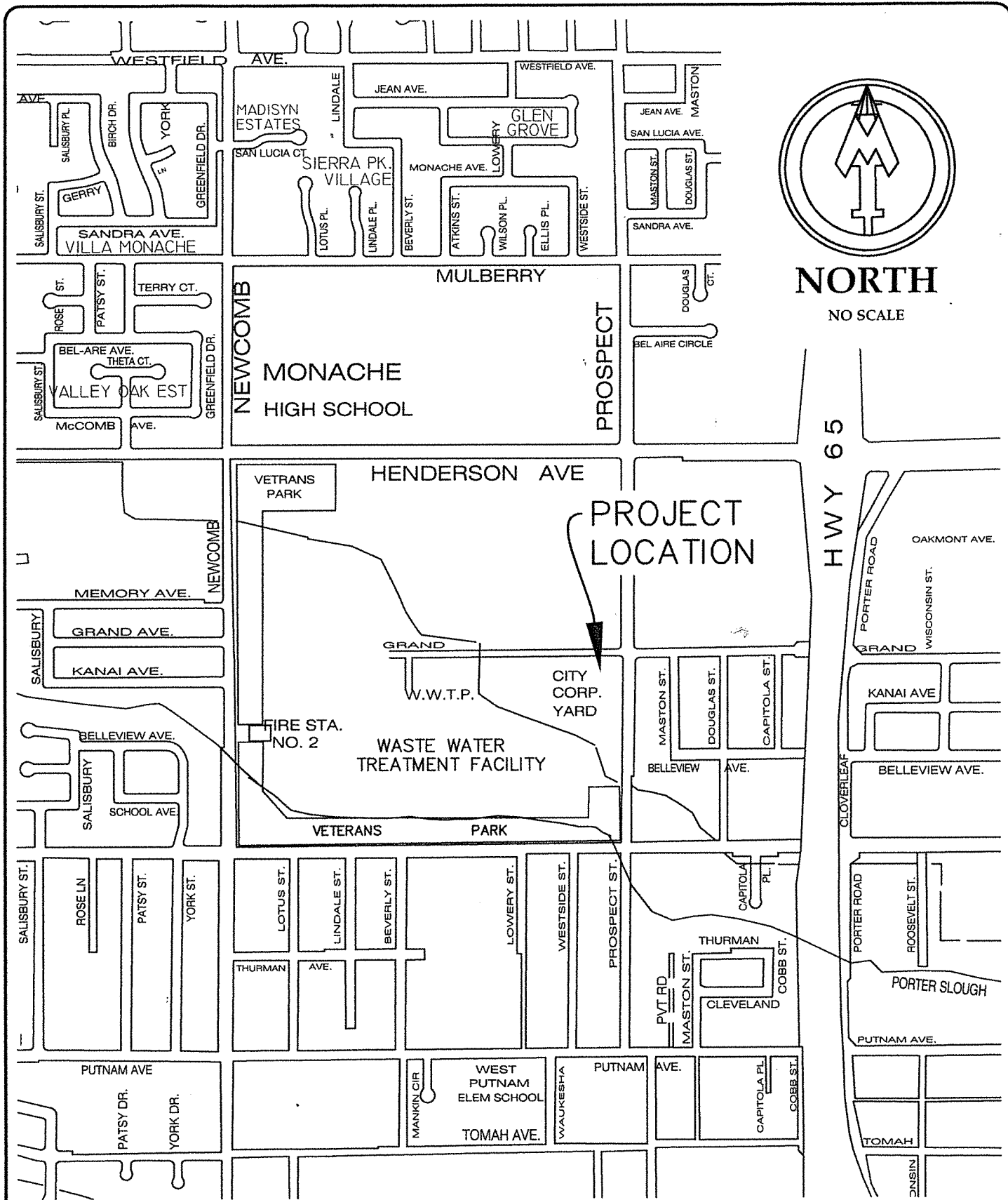
RECOMMENDATION: That City Council:

1. Award the Transit Maintenance & CNG Fueling Facility Expansion Project to Lee's Paving in the amount of \$2,183,212.75;
2. Authorize a 10% contingency to cover unforeseen construction costs and 5% for construction management, quality control, inspection services, and construction surveying;
3. Re-affirm the \$300,000 Solid Waste Fund appropriation;
4. Authorize the Finance Director to appropriate an additional \$100,000 from Solid Waste Funds and \$189,467 from the Local Transportation Fund;

5. Authorize progress payments up to 100% of the contract amount; and
6. Authorize the City Engineer to negotiate construction surveying services with one of the firms as approved by Council MO #02-100714.

ATTACHMENT:     Locator Map

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**CITY OF PORTERVILLE**  
**ENGINEERING DIVISION**  
 291 NORTH MAIN STREET  
 PORTERVILLE, CA. 93257  
 (559) 782-7462

**Transit CNG**  
**Fueling Facility**  
**Expansion Project**