

STAFF REPORT

DATE: December 11, 2023
TO: Sacramento Regional Transit Board of Directors
FROM: Henry Ikwut-Ukwa, VP, Capital Programs
SUBJ: CONDITIONALLY DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE THE CONTRACT FOR DIESEL STORAGE TANK CONVERSION TO GASOLINE TO GEMS ENVIRONMENTAL MANAGEMENT SERVICES, INC.

RECOMMENDATION

Adopt the Attached Resolution.

RESULT OF RECOMMENDED ACTION

Delegating authority to the General Manager/CEO to approve this construction contract will allow SacRT to repurpose the existing diesel storage tank to gasoline to fuel non-revenue vehicles and gasoline cutaway vehicles.

FISCAL IMPACT

The Total Bid price for the Construction Contract for the Diesel Storage Tank Conversion to Gasoline Project is \$509,884.95. This contract is being funded by State Transit Assistance. This project is included in the approved FY 24 Capital Budget.

DISCUSSION

The Diesel Storage Tank Conversion to Gasoline Project is located at the Bus Maintenance Facilities 1 (BMF1). The completed work will improve control of vehicle fueling, reduce service worker travel time, reduce risk by eliminating driving outside of the SacRT property at night to fuel SacRT vehicles, and promote a safer environment for SacRT employees.

On August 1, 2023, Staff released an Invitation for Bid for Diesel Storage Tank Conversion to Gasoline. On October 26, 2023, SacRT received 1 bid from GEMS Environmental Management Services, Inc. with a total bid amount of \$509,884.95 for the Base Bid plus Additive Alternate 1. The Base Bid includes (1) converting a diesel tank, consisting of a 12,000-gallon compartment of an existing 15,000-gallon single wall tank in an underground vault, to store unleaded gasoline; (2) install one new unleaded gasoline dispenser; and (3) provide new tank level leak detection sensors. The bid documents also include Additive Alternate 1 to clean the diesel storage tank.

The original Engineer's Estimate of \$431,881.00 included only the Base Bid and not the Additive Alternate. While sufficient funds are available for the total bid amount, Staff is still evaluating whether the amount bid for the Additive Alternate is fair and reasonable. In addition, the Contractor has not yet furnished the required payment and performance bonds. To enable execution of the Contract once these actions are completed, Staff is requesting a delegation of authority to the General Manager/CEO.

RESOLUTION NO. 2023-12-126

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

December 11, 2023

CONDITIONALLY DELEGATING AUTHORITY TO THE GENERAL MANAGER/CEO TO APPROVE THE CONTRACT FOR DIESEL STORAGE TANK CONVERSION TO GASOLINE TO GEMS ENVIRONMENTAL MANAGEMENT SERVICES, INC.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, authority is delegated to the General Manager/CEO to award the Construction Contract for Diesel Storage Tank Conversion to Gasoline between Sacramento Regional Transit District, therein referred to as "SacRT," and GEMS Environmental Management Services, Inc., therein referred to as "Contractor," whereby Contractor agrees to complete the construction required for Diesel Storage Tank Conversion to Gasoline Base Bid and Additive Alternate 1, as specified, for an amount not to exceed \$509,884.95, contingent upon receipt of all required bonds and a determination that the bid amount is fair and reasonable.

PATRICK KENNEDY, Chair

A T T E S T:

HENRY LI, Secretary

By: _____
Tabetha Smith, Assistant Secretary