

RIVERSIDE TRANSIT AGENCY  
1825 Third Street  
Riverside, CA 92507

May 26, 2005

TO: BOARD OF DIRECTORS

THRU: Larry Rubio, Chief Executive Officer

FROM: Vince Rouzaud, Director of Purchasing and Materials Management

SUBJECT: Authorization to Award a Contract to Professional Service Industries Inc., for the Removal of Five (5) Diesel Underground Storage Tanks (UST's) in Riverside and Hemet

Summary: In 2002 and 2003, the Agency transitioned its bus fleet from Diesel fuel to 100 percent utilization of Clean Natural Gas (CNG). The Underground Storage Tanks (UST's) that contained diesel fuel at both the Riverside and Hemet locations are no longer being utilized.

The Riverside County Department of Environmental Health, Hazardous Materials Division, requires all UST's, even those no longer in use, to be permitted and certified annually as well as tested and monitored on a daily and monthly basis. Costs associated with permitting, testing, monitoring, and certification is approximately \$3,000 annually. This does not include the cost of pollution control insurance nor does it include staff time for Agency personnel to perform the daily and monthly inspections.

Despite monitoring and conducting the required inspections, there are still risks associated with leaving UST's in place, particularly environmental risks. Since the Agency is 100 percent committed to CNG and has no plans to return to diesel as a fuel source, staff feels it is in the Agency's best interests to remove the UST's to reduce the Agency's exposure to potential liability.

As such, on March 7, 2005, Invitation For Bid (IFB) 05-005 was issued to 22 prospective firms capable of providing the services outlined in the IFB. In addition, a public notice of the procurement was published in a local newspaper of general circulation. On April 11, 2005, nine responsive and responsible bids were received as follows:

Company Name	base bid amount	per- ton removal cost	per-ton fill cost	assumes removal of 25 tons of contaminants	assumes removal of 50 tons of contaminants	assumes removal of 100 tons of contaminants
Professional Service Industries	123,450.00	105.00	40.00	127,075.00	130,700.00	137,950.00
EAR Engineering	139,995.00	72.00	34.00	142,645.00	145,295.00	150,595.00
Geo-Cal Inc.	143,317.00	57.50	36.00	145,654.50	147,992.00	152,667.00
JEM Industries	149,319.00	65.00	36.00	151,844.00	154,369.00	159,419.00
Advance Petroleum Corp.	160,728.00	60.00	28.00	162,928.00	165,128.00	169,528.00
NRC Environmental Services	164,366.00	50.00	20.00	166,116.00	167,866.00	171,366.00
Geofon	175,563.00	91.00	37.00	178,763.00	181,963.00	188,363.00
Fleming Environmental	184,883.00	95.00	35.00	188,133.00	191,383.00	197,883.00
Miller Brooks	199,369.00	66.98	18.00	201,493.50	203,618.00	207,867.00

The bids were reviewed by an evaluation committee which included staff from both purchasing and facilities maintenance. The lowest responsive and responsible bidder, Professional Service Industries Inc., is certified and licensed to perform all work identified in the scope of work.

In addition to the base bid amount, the IFB requested bidders provide pricing for the removal and remediation of any contaminated soil found during excavation. Since it is difficult to know with any certainty what to expect until actual excavation begins, staff suggests the contract include a contingency provision of \$14,500. This amount would cover the removal and remediation of up to 100 tons of contaminated soil. Should the project exceed this amount, staff would return to the Board for additional approval.

Staff recommends awarding a contract to Professional Services Industries Inc., the lowest responsive and responsible bidder.

Fiscal Impact:

Funding for this procurement in the amount of \$137,950 will be provided by Federal Transit Administration (FTA) capital grant assistance (CA-90-Y272). This item was included in the Agency's FY 2004 capital budget previously approved by the Board.

Committee Recommendation:

This item was presented at the Board Budget and Finance Committee meeting of May 12<sup>th</sup>. The Committee members unanimously approved recommending this item to the full Board of Directors for their consideration.

Recommendation:

Authorize staff to award a contract to Professional Services Industries Inc., in the amount of \$123,450 plus a contingency of \$14,500 for a total not-to-exceed amount of \$137,950 for the removal of five underground fuel storage tanks at the RTA Riverside and Hemet facilities.