



## CITY OF MILPITAS AGENDA REPORT (AR)

<b>Item Title:</b>	<b>Approve a Maintenance Service Agreement with Technology, Engineering &amp; Construction, Inc. dba TEC Accutite for Aboveground and Underground Storage Tank Maintenance and Certification Services for a Total Amount Not to Exceed \$245,250 (Staff Contact: Chris Schroeder, 408-586-3161)</b>
<b>Category:</b>	Consent Calendar-Community Services and Sustainable Infrastructure
<b>Meeting Date:</b>	9/17/2019
<b>Staff Contact:</b>	Chris Schroeder, 408-586-3161 and Tony Ndah, 408-586-2602
<b>Recommendation:</b>	Approve a five-year agreement with TEC Accutite for Aboveground and Underground Storage Tank Maintenance and Certification Services, for an amount of \$49,050 in the first year and a total amount not to exceed \$245,250 over the five-year period, subject to annual appropriation of funds.

### **Background:**

This agreement is for monitoring, maintenance, certification, testing, and training services for the City's Aboveground Storage Tanks (ASTs) and Underground Storage Tanks (USTs) at the following locations:

<b>Location</b>	<b>Address</b>	<b>Type</b>
Bellew Pump Station	481 Murphy Ranch Drive	UST
Berryessa Pump Station	731 Folsom Circle	UST
California Circle Pump Station	1735 California Circle	AST
Fire Station 1	777 South Main Street	AST
Fire Station 2	1263 Yosemite Drive	AST
Fire Station 3	45 Midwick Drive	AST
Fire Station 4	775 Barber Lane	AST
Gibraltar Pump Station	641 Gibraltar Court	AST
Jurgens Pump Station	345 Jurgens Street	UST
Manor Pump Station	349 Marlynn Drive	UST
McCarthy Pump Station	1001 North McCarthy Boulevard	AST
Murphy Ranch Pump Station	801 Murphy Ranch Drive	AST
Oak Creek Pump Station	1521 McCarthy Boulevard	AST
Penitencia Pump Station	944 La Honda Drive	UST
Pinewood Well	227 Lonetree Court	UST
Public Works Corporation Yard	1265 North Milpitas Boulevard	UST
Wrigley Ford Pump Station	75 Marylinn Drive	AST
Zone 2 Pump Station	1429 East Calaveras Boulevard	AST

Award of this agreement will provide the City of Milpitas with a dedicated and qualified contractor to perform AST and UST inspections, testing, and maintenance. Detailed inspections are required to monitor maintenance practices and to ensure that necessary repair work and maintenance are performed. Annual maintenance and certification services performed on the City's ASTs and USTs is essential to ensure that the tanks are operating in compliance with local, state, and federal regulations. Additionally, regular maintenance and testing of the fuel storage tanks is critical to ensure proper operation of the monitoring and dispensing equipment. These measures are important to prevent leaks or spills from the tanks, to protect the environment, and for worker and community safety.

The type of services that will be performed include:

- Designated Operator Visual Inspections
- Compliance Inspection/Monitoring Certification
- Overfill Prevention Equipment Inspection
- Spill Container Testing
- Secondary Containment Testing
- Integrity Testing
- Annual Designated Operator Facility Employee Training
- Air Quality Testing

#### **Analysis:**

On July 11, 2019, the Purchasing Division released an Invitation for Bid (IFB) for monitoring, maintenance, testing, and training services at eighteen (18) City locations. The IFB was publicly noticed in accordance with the City's municipal code and advertised on the City's website. Email notifications were sent to companies registered with the City via ProcureNow.com, the City's eProcurement system and a bid notification placed on PublicPurchase.com. Upon release, 154 firms received the solicitation notification and ten (10) firms downloaded the IFB documents. The Purchasing Division received two (2) proposals by the August 5, 2019 deadline to respond to the IFB. Technology, Engineering & Construction, Inc. dba TEC Accutite is the lowest responsive bidder and was within the City's estimate for these services. Staff then contacted TEC Accutite's references supplied with their bid and the responses were overwhelmingly positive from each respondent.

#### **Policy Alternatives:**

**Alternative 1:** Direct City staff to provide the required services with in-house resources.

**Pros:** Increased work options for City staff.

**Cons:** City staff has limited resources in providing these services.

**Reason not recommended:** The City does not have the work force or equipment to perform AST and UST maintenance and certification services. The City would need to purchase equipment and hire additional staff, which would likely delay this work. By utilizing a contractor, all of the AST and UST sites will be tested on a regular schedule to remain compliant with Title 23 of the California Code of Regulations and Title 40 of the Code of Federal Regulations Part 112 to ensure proper operation. Additionally, awarding this agreement to a Contractor will enable the City to continue to comply with annual regulatory testing, conduct routine maintenance, and provide for unforeseen repairs.

#### **Fiscal Impact:**

This project will be funded in the amount of \$49,050 from the FY 2019-20 operations budget of the Public Works Department. Funds for the remaining years on this agreement will be subject to the annual appropriation of funds by Council during the annual budget process.

#### **California Environmental Quality Act:**

By the definition provided in the California Environmental Quality Act (CEQA) Guidelines Section 15378, this action does not qualify as a "project" for the purpose of CEQA as this action has no potential to result in either

a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

**Recommendation:**

Approve a five-year agreement with TEC Accutite for Aboveground and Underground Storage Tank Maintenance and Certification Services, for an amount of \$49,050 in the first year and a total amount not to exceed \$245,250 over the five-year period, subject to annual appropriation of funds.

**Attachment**

Maintenance Service Agreement with Technology, Engineering & Construction, Inc. dba TEC Accutite for Aboveground and Underground Storage Tank Annual Services