

TO: James L. App, City Manager
FROM: Doug Monn, Public Works Director
SUBJECT: Airport Fuel Facility (Re-Advertised) – Bid Award
DATE: July 1, 2014

NEEDS: For City Council to consider awarding a contract to upgrade/improve the aircraft fuel facility at the Paso Robles Municipal Airport.

- FACTS:**
1. A key element of airport infrastructure is the aircraft fuel storage and dispensing facility. This equipment is owned by the City and leased to a fuel vendor, who assumes the responsibility and liability for the daily operation and maintenance, and then provides all services to the aircraft.
 2. The existing tanks were installed in 1981. The tanks are single wall construction no longer allowed for fueling operations. The cost to upgrade them to meet current regulatory requirements would exceed the cost of the proposed replacement.
 3. Liabilities in fueling multi-million dollar aircraft would underscore the need to remain compliant with current standards.
 4. On March 27, 2014, the City opened bids for the project. All the bids exceeded the City's budget for the work. In addition, the City received a bid protest against the apparent low bidder.
 5. On May 6, 2014, the City Council directed staff to reject all bids, re-structure the bid documents and re-advertise for bids.
 6. The project was re-advertised and at the bid opening June 19, 2014, 6 bids were received as follows:

Rockwood General Contractors.....	\$748,793.48
B & T Service Station Contractors.....	\$752,142.00
Souza Construction	\$823,720.00
John Madonna Construction	\$831,426.12
Brough Construction.....	\$855,155.00
GEMS Environmental Management Services	\$880,922.55

ANALYSIS & CONCLUSION: Staff reviewed the low bid submitted by Rockwood General Contractors and found it to be a responsive and responsible bid.

POLICY REFERENCE: Federal Air Regulations (FAR) Part 139; National Fire Protection Association (NFPA) 407; Air Transport Association (ATA) 103

FISCAL IMPACT: On July 16, 2013, the City Council adopted Resolution No. 13-103, authorizing the City's application for a State Loan under the State Division of Aeronautics

Revolving Loan program to fund the majority cost to install a new fuel facility at the Airport. The staff report referenced any difference between the loan amount the City qualified for and the bid price would be allocated from unbudgeted Airport Reserves.

Loan funds (\$600,000) were received January 15, 2014 and deposited to the Airport Budget until construction bids were received.

Included in this request is for City Council to appropriate a total of \$823,000 into Airport Capital Account #6029101-54520-C0034 for this project. A breakdown of funding is as follows:

- \$600,000 State Loans received January 15, 2014
- \$223,000 From Airport Reserves (to cover construction balance and 10% for contingency).

OPTIONS:

- a. Adopt Resolution No. 14-xx awarding a contract:
 1. To upgrade the aircraft fuel facility at the Paso Robles Municipal Airport to Rockwood General Contractors in the amount of \$748,793.48, and authorize the City Manager to execute the contract.
 2. Appropriating a total of \$823,000 to this project under Budget No. 6029101-54520-C0034. Funding source is \$600,000 State Loan and \$223,000 Airport Reserves.
- b. Amend, modify, or reject the above option.

Attachment: Resolution

RESOLUTION NO. 14-xxx

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AWARDING A CONTRACT TO UPGRADE THE AIRCRAFT FUEL FACILITY
AT THE PASO ROBLES AIRPORT

WHEREAS, the City of Paso Robles continues to operate the Municipal Airport for the aid and benefit of the public and their air transportation needs; and

WHEREAS, aircraft fuel service is an essential element of airport service; and

WHEREAS, it has been determined that the existing aircraft fueling facility needs upgrades and additional equipment in order to comply with current regulations; and

WHEREAS, City Council on February 5, 2013 approved a contract with Tartaglia Engineering to prepare bid documents, and the project was subsequently advertised for bids; and

WHEREAS, 13 bids were received at the bid opening March 27, 2014; and

WHEREAS, all bids exceeded the City's budget in addition to a bid protest received against the apparent low bidder; and

WHEREAS, City Council rejected all bids on May 6, 2014 and directed staff to re-structure the bid documents and re-advertise; and

WHEREAS, at the bid opening for re-advertised bids on June 19, 2014, 6 bids were received ranging from 748,793.48 to 880,922.55; and

WHEREAS, staff reviewed the low bid submitted by Rockwood General Contractors and found it to be a responsive and responsible bid; and

WHEREAS, on July 16, 2013, the City Council adopted Resolution No. 13-103, authorizing the City's application for a State Loan under the State Division of Aeronautics Revolving Loan program to fund the majority cost to install a new fuel facility at the Airport; and

WHEREAS, loan funds (\$600,000) were received January 15, 2014 and deposited to the Airport Budget until construction bids were received; and

WHEREAS, the staff report also established any cost above the loan amount the City qualified for and the bid price would be allocated from unbudgeted Airport Reserves.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1. The City Council of the City of Paso Robles does hereby allocate / appropriate \$823,000 to budget no. 6029101-54520-C0034 with funding source. A breakdown of funding is as follows:

- \$600,000 State Loan received January 15, 2014
- \$223,000 From Airport Reserves (to cover construction balance and \$10% for contingency).

SECTION 2. The City Council does hereby award the contract to upgrade the aircraft fuel facility at the Paso Robles Municipal Airport to Rockwood General Contractors in the amount of \$748,793.48, and authorizes the City Manager to execute the contract.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 1st day of July 2014 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Duane Picanco, Mayor

ATTEST:

Caryn Jackson, Deputy City Clerk

Approvals/workflow 1. Dept Head 2. Admin Svcs 3. City Manager 4. City Council	City of Paso Robles BUDGET ADJUSTMENT REQUEST	Budget JE # AGENDA DATE
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DESCRIPTION	ORG #	OBJECT #	NOT USED	PROJECT #	AMOUNT
FINANCING SOURCES					
AIRPORTFND-CONTROL ACCT	602	99999			\$600,000
AIRPORTFND- OPERATING TRANSFER IN (NEW)	602	48990		C0034	223,000
AIRCAPMTCH-CONTROL ACCT (NEW)	604	99999			223,000
TOTAL FINANCING SOURCES					\$1,046,000
FINANCING USES					
FUELAIRPROJ-IMPR OTHER THAN BLDGS	6029101	54520		C0034	\$823,000
AIRCAPMTCH- OPERATING TRANSFER OUT (NEW)	604	58990		C0034	\$223,000
TOTAL FINANCING USES					\$1,046,000

JUSTIFICATION: (attach letter if required)
 APPROPRIATE \$823,000 TO BUDGET #6029101-54520 C0034 USING \$600,000 FROM STATE LOAN PROCEEDS RECEIVED IN JANUARY 2014 AND \$223,000 FROM AIRPORT FUND (604)

REQUESTED BY: _____ Date Department Head	REVIEWED & APPROVED BY: _____ Date Administrative Services
APPROVED BY: _____ Date City Manager	

PASSED AND ADOPTED by the City Council of the City of Paso Robles, State of California, this _____ day of _____ 20____. Agenda Item No. _____

ATTEST: _____
 Deputy City Clerk