



**City Council
Agenda Memo**

City Council Meeting Date: 8/27/2015

TO: Robert Hanna, City Manager

FROM: Michael Rice, Director of Public Works

SUBJECT: Bid Award: #CB-1530 - CityLink Transit Fuel Tank Repurposing

GENERAL INFORMATION

The CityLink facility at 1189 S. 2nd St. currently has two diesel fuel tanks. CityLink applied for a grant to repurpose one of those tanks for the storage and dispensing of unleaded gasoline. The FTA grant was awarded in 2010, and funding for the city's 20% match was approved within the 2011-2012 budget. The fuel tank repurposing project was estimated at approximately \$50,000 with an 80/20 funding split between FT A and the City of Abilene. Due to a series of events, including the transition of City Link management companies and operations managers, the project remained dormant until recently when James Oliver, current CityLink Manager, worked to fulfill the requirements of the grant for the fuel tank repurposing. Meers Engineering was selected to produce the required plans and specifications for the project. The project engineering was completed and the project was publicly advertised on April 12 and April 19 of this year. Bids were opened on May 7, 2015 with one bid submitted by Don Faulkner Construction in the amount of \$96,000.

The project scope includes the conversion of an existing fuel tank from diesel to unleaded gas, and the installation of a new fuel dispensing station, complete with concrete fuel island, new fuel lines, conduit, communication and electrical wiring, pavement removal and replacement, new Gas boy 91 00 fuel dispenser, Gas boy Islander ICR, and fuel terminal.

SPECIAL CONSIDERATIONS

The additional \$46,000 required to fully fund this project is currently available within the CityLink Transit revised 2014- 2015 budget. These funds are available due to 1) the discontinuation of Medical Transportation services, and 2) fuel expenditure savings. Medical Transportation Services were previously provided by CityLink and funded through a different funding source at a set cost per passenger. This service was discontinued after an analysis revealed the funding per passenger was well below the total cost of service (employee salary, vehicle operations, etc.) Fuel expenditure savings are a result of current and recent low unleaded fuel prices.

This project is estimated to save approximately \$5,000 per month through the acquisition of bulk fuel instead of paying current pump prices. The grant for this project will expire on September 30, 2015.

FUNDING/FISCAL IMPACT

Bid for conversion:	\$96,000
FT A Grant 80%:	\$40,000
City 20% (2011-12):	\$10,000
Current CityLink Budget:	<u>\$46,000</u>
TOTAL	\$96,000

STAFF RECOMMENDATION

Recommend award of project to Don Faulkner Construction in the amount of \$96,000.

BOARD OR COMMISSION RECOMMENDATION

ATTACHMENTS:

Description	Type
<input type="checkbox"/> Bid Tab	Backup Material

