

To: Board of Directors

Date: 9/4/2024

From: J. Scott Mitchell, Chief Operating Officer

Reviewed by:

SUBJECT: Diesel Fuel Tank Replacement

Background:

County Connection has two 25,000 gallon single-wall diesel fuel tanks that were installed in 1981. The State Water Resources Control Board requires that all single-wall fuel tanks be replaced or removed by December 31, 2025. Single-wall underground storage tank systems that are not permanently closed will be out of compliance and cannot be operated. Although County Connection is actively engaged in migrating all buses to zero emission vehicles (ZEV) this process will take a minimum of 15 years to complete. In the meantime, it is imperative to replace the single-walled tanks in order to operate our existing diesel buses. Additionally, County Connection maintains the largest supply of renewable diesel in Central Contra Costa County, which has been identified as an emergency fuel source for emergency mitigation efforts by the County's Emergency Operations Center (EOC).

Staff has been researching multiple ways to replace these tanks to meet this regulation by December 31, 2025. Staff recommends purchasing two 25,000 gallon double-wall fuel tanks, piping, pumps, and fuel monitoring system from Blue1 Energy Equipment off of the Sourcwell Contract #092920-TAN. Sourcwell is a cooperative purchasing program, which offers governmental agencies competitive pricing and terms. County Connection will then issue a separate Invitation for Bids (IFB) for the removal and replacement of the tanks – the IFB will meet all public works procurement requirements. Staff believes this two-step approach will reduce the cost and shorten the timeframe to complete the tank replacement. This project is included in the Capital budget.

Option 1:

Purchase two fuel tanks and all related hardware from Blue1 Energy Equipment using Sourcwell Contract pricing and then issue an IFB for Removal and Replacement of Fuel Tanks.

Option 2:

Release an IFB for Replacement of Fuel Tanks, including materials and labor in one Bid package.

Financial Implications:

TDA Capital:	\$481,573
For two 25,000 gallon fuel tanks and related hardware, and TSL system	

Recommendation:

The O&S Committee recommend that the Board of Directors at its September 19, 2024, meeting, adopt Resolution No. 2025-06 authorizing the General Manager to approve the purchase of two (2) fuel tanks and related equipment from Blue1 Energy Equipment using pricing from Sourcewell Contract #092920-TAN. Purchase not to exceed \$481,573.

Action Requested:

The O&S Committee recommend that the Board of Directors at its September 19, 2024, meeting, adopt Resolution No. 2025-06 authorizing the General Manager to release a purchase order and Letter to Proceed to Blue1 Energy Equipment for the purchase of two (2) fuel tanks. Total cost of the fuel tanks, including shipping to Concord facility, not to exceed \$481,573.

Attachment:

Resolution No. 2025-06

RESOLUTION NO. 2025-06

**BOARD OF DIRECTORS
CENTRAL CONTRA COSTA TRANSIT AUTHORITY
STATE OF CALIFORNIA**

* * *

AUTHORIZING THE GENERAL MANAGER OR DESIGNEE TO ISSUE A PURCHASE ORDER TO BLUE1 ENERGY EQUIPMENT FOR FUEL TANKS, ASSOCIATED EQUIPMENT, AND FUEL MONITORING SYSTEM FOR AN AMOUNT NOT TO EXCEED \$481,573

WHEREAS, the County of Contra Costa and the Cities of Clayton, Concord, the Town of Danville, Lafayette, Martinez, the Town of Moraga, Orinda, Pleasant Hill, San Ramon and Walnut Creek (Member Jurisdictions) have formed the Central Contra Costa Transit Authority (CCCTA), a joint exercise of powers agency created under California Government Code Section 6500 et seq., for the joint exercise of certain powers to provide coordinated and integrated public transportation services within the area of its Member Jurisdictions and certain unincorporated portions of Contra Costa County;

WHEREAS, in 1981, CCCTA installed two 25,000 gallon single-walled diesel fuel tanks to hold fuel for its buses;

WHEREAS, the State Water Resources Control Board issued changes to the underground storage tank regulatory program, which require single-walled fuel tanks to be replaced or permanently closed by December 31, 2025;

WHEREAS, after evaluating the options available to CCCTA, staff recommends purchasing two 25,000-gallon double-walled fuel tanks;

WHEREAS, Sourcewell, a cooperative purchasing program, offers government agencies competitive pricing and contract terms for commonly used goods and services;

WHEREAS, Sourcewell Contract #092920-TAN offers competitive pricing for 25,000-gallon double-walled fuel tanks, piping, pumps, and fuel monitoring system from Blue1 Energy Equipment;

WHEREAS, staff has determined that the proposed costs for the purchase and setup of the fuel tanks and associated equipment are fair and reasonable; and

WHEREAS, staff recommends and the Operations and Scheduling Committee concurs that the Board of Directors authorize the General Manager or designee to issue a purchase order to Blue1 Energy Equipment for two 25,000-gallon double-walled fuel tanks, piping, pumps, and fuel monitoring system, for an amount not to exceed \$481,573.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Central Contra Costa Transit Authority authorizes the General Manager or designee to issue a purchase order to Blue1 Energy Equipment for two 25,000-gallon double-walled fuel tanks, piping, pumps, and fuel monitoring system, for an amount not to exceed \$481,573, in a form approved by legal counsel; and

BE IT FURTHER RESOLVED that the General Manager or designee is authorized to take any other actions necessary to give effect to this resolution.

Regularly passed and adopted this 19th day of September, 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Don Tatzin, Chair, Board of Directors

ATTEST:

Lathina Hill, Clerk to the Board