

**To:** Board of Directors

**Date:** 5/2/2025

**From:** J. Scott Mitchell, Chief Operating Officer

**Reviewed by:** *W.C.*

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**SUBJECT: Diesel Fuel Tank Replacement**

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**Background:**

Staff came to the Board in September 2024 and received authorization to replace two (2) single-wall 25,000 gallon underground fuel tanks with two (2) double-wall underground tanks in order to meet new underground fuel tank regulations. The Board adopted 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, including shipment to the Concord facility, not to exceed \$481,573.

Staff has spent additional time meeting with contractors and Contra Costa Health Services Hazardous Material programs and have determined that we should change the scope of this project to close the existing two (2) 25,000 gallon underground fuel tanks, leave them in place, and replace them with two (2) above-ground 25,000 gallon tanks.

Installing the tanks above ground will lower the cost of the project. It will also reduce the operational disruption that would be caused by having to break concrete to remove and replace the underground tanks.

**Option 1:**

Purchase two (2) above-ground fuel tanks and related hardware from Source Fueling Equipment Solutions using Sourcewell Contract pricing and then issue an IFB for installation to meet public contracting regulation.

**Option 2:**

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

**Financial Implications:**

TDA Capital: \$390,210  
For two (2) 25,000 gallon double-wall above ground tanks

**Recommendation:**

The O&S Committee recommend that the Board of Directors at its May 15, 2025, meeting, adopt Resolution No. 2025-024 authorizing the General Manager to approve the purchase of two (2) fuel

tanks and related equipment from Source Fueling Equipment Solutions using pricing from Sourcewell Contract #092920-TAN. Purchase not to exceed \$390,210.

**Action Requested:**

The O&S Committee recommend that the Board of Directors at its May 15, 2025, meeting, adopt Resolution No. 2025-24 authorizing the General Manager to release a purchase order and Letter to Proceed to Source Fueling Equipment Solutions for the purchase of two (2) fuel tanks. Total cost of the fuel tanks, including shipping to Concord facility, not to exceed \$390,210.

**Attachment:**

Resolution No. 2025-024

**RESOLUTION NO. 2025-024**

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

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**AUTHORIZING THE GENERAL MANAGER OR DESIGNEE TO ISSUE A PURCHASE ORDER AND LETTER TO PROCEED TO SOURCE FUELING EQUIPMENT SOLUTIONS FOR PURCHASE OF TWO FUEL TANKS AND RELATED EQUIPMENT FOR AN AMOUNT NOT TO EXCEED \$390,210**

**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 (hereinafter "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**, on September 19<sup>th</sup> 2024, the CCCTA Board of Directors ("Board") adopted 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, including shipment to the Concord facility, not to exceed \$481,573 to replace the two (2) underground storage tanks;

**WHEREAS**, after further discussions with contractors and the Contra Costa Health Services Hazardous Material Programs personnel, staff concluded that it is in the best interest of CCCTA to close the existing two (2) 25,000 gallon underground fuel tanks, leave them in place, and replace them with two (2) above-ground 25,000 gallon 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 and related equipment from Source Fueling 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 and Letter to Proceed to Source Fueling Equipment for two (2) 25,000-gallon double-walled fuel tanks, and related equipment, for an amount not to exceed \$390,210.

**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 and Letter to Proceed to Source Fueling Equipment for two (2) 25,000-gallon double-walled fuel tanks, and related equipment, for an amount not to exceed \$390,210, 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 15th day of May, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Kevin Wilk, Chair, Board of Directors

ATTEST: \_\_\_\_\_  
Lathina Hill, Clerk to the Board