



# Resource Management Agency

## COUNTY OF TULARE AGENDA ITEM

### BOARD OF SUPERVISORS

LARRY MICARI  
District One

PETE VANDER POEL  
District Two

AMY SHUKLIAN  
District Three

EDDIE VALERO  
District Four

DENNIS TOWNSEND  
District Five

**AGENDA DATE:** August 27, 2024 – REVISED

Public Hearing Required	N/A
Scheduled Public Hearing w/Clerk	N/A
Published Notice Required	N/A
Advertised Published Notice	N/A
Meet & Confer Required	N/A
Budget Transfer (Aud 308) attached	N/A
Personnel Resolution attached	N/A
Agreement(s) attached	N/A

CONTACT PERSON: Celeste Perez PHONE: (559) 624-7010

**SUBJECT:** Notice of Completion of the CNG Fueling System at the Transit Operations and Maintenance Facility

**REQUEST(S):**

That the Board of Supervisors:

1. Accept the work for the construction of the CNG Fueling System at the Transit Operations and Maintenance Facility as complete by Hobbs Construction, Inc., of Fresno, California.
2. Authorize the Chair of the Board of Supervisors to sign the Notice of Completion.
3. Direct the Clerk of the Board to have the Notice of Completion recorded with the Clerk-Recorder.

**SUMMARY:**

This Notice of Completion is for the CNG Fueling System at the Transit Operations and Maintenance Facility (Project). This project was substantially completed on time and under the authorized bid amount plus contingencies. As the project included close coordination with SoCal gas on the operational side there was a delay in full operation of the system which was outside of the Contractor control. The work was performed by Hobbs Construction, Inc. under Tulare County Agreement No. 29135.

This project was approved by the Board on August 29, 2017 (Resolution No. 2017-0715). On May 7, 2019, the Board awarded and approved a contract with Hobbs Construction, Inc. in the amount of \$2,497,629 (Resolution No. 2019-0354, Agreement No. 29135).

**BACKGROUND**

The Compressed Natural Gas (CNG) Fueling System constructed at the Tulare County Transit Operations and Maintenance Facility (TOMF) was designed via a contract

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secured with Arrington Watkins Architects (Resolution No. 2016-0414, Agreement No. 27627). While initially conceived as an integral part of the construction of the TOMF, the CNG Fueling portion of the project was broken out separately due to California Department of Transportation (Caltrans) and Federal Highway Administration (FHWA) funding requirements; the breakout accomplished by Board Resolution No. 2019-0034. Upon the onset of design of the fueling system the Tulare County Area Transit (TCaT) fleet was comprised of 26 CNG buses that required fueling at various offsite locations that were non-County owned or operated. Subsequently, the project included the installation of 24 CNG fueling stations. A subsequent re-bid of the project was required as the first series of bids exceeded allocated funding for the project; this secondary bid was authorized via Board Resolution No. 2019-0354.

At the onset of design, prior to more recent State legislation concerning the use of electric buses, the CNG Fueling Facility at the TOMF was conceived with the intent of developing a localized fueling infrastructure that specifically served the TCaT fleet. This development of a localized fueling facility was made to minimize dependency on external fueling sites and to reduce capital outlay by reducing reliance on non-County owned fueling sites.

Final bidding of the project resulted in the award of the construction contract to the lowest responsible and responsive bidder Hobbs Construction Inc., of Fresno, CA.

There were four (4) Contract Change Order (CCO) written for this Project in the sum of \$20,944.83. CCO No. 1 was written to provide additional compensation to the Contractor in the amount of \$9,648.78 to raise the existing grade for the CNG equipment pad. CCO No. 2 was to provide additional compensation to the Contractor in the amount of \$4,388.72 to increase the concrete structural section under the CNG compressor and dryer foundation. CCO No. 3 was to provide additional compensation to the Contractor in the amount of \$5,000 to relocate the previously installed CNG riser twenty-eight feet east of the existing location. The final, CCO No. 4, provided additional compensation to the Contractor in the amount of \$1,907.33 to furnish and install a solenoid actuated shut off valve assembly at the CNG equipment pad.

With the source used to fund this project, the Contractor was required to utilize Disadvantaged Business Enterprise (DBE) sub-contracts for a minimum of 24% of the overall contract cost. While working through the project and reviewing certified payroll and final DBE records, it was noted that the Contractor utilized a non-DBE subcontractor to complete work that is supposed to be performed by a listed DBE. As a result of this unapproved substitution, the Contractor was not able to meet the project specified DBE goal. County staff worked closely with Caltrans Local Assistance staff who ultimately agreed that a violation took place and that the project should be subject to withholdings as noted below.

Project delays were encountered in the form of construction related delays (need to obtain adequate gas supply from SoCal Gas), the need to evaluate and ensure the constructed project met design criteria and ultimately to allow the contractor time to respond to claims concerning DBE compliance issues. The most significant of these issues surrounded the Contractor's non-responsiveness to multiple requests for proper

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DBE certification.

This Project has been completed in accordance with the plans and specifications and is now ready for acceptance by the Board.

**FISCAL IMPACT/FINANCING:**

No net County cost to the General Fund.

Contract Bid Amount:	\$2,497,629.00
5.50% of amount authorized for Contingencies:	\$137,381.00
Authorized Contract Bid Amount + Contingencies:	\$2,635,010.00

Project Cost:	\$2,474,919.00
Total of Contract Change:	\$20,944.83
DBE Withholding (Based on 24% Contract Goal)	(\$79,355.96)
Final project Cost:	\$2,416,507.87

An allowance of 5.50% of the contract bid amount of \$137,381, was authorized for contingencies at the time of award setting the total approved contract amount at \$2,635,010.

The final cost to complete this project was \$2,416,507.87 which is 3.25% below the bid amount and is 8.29% below the authorized contract amount plus contingencies.

This Project has been completed in accordance with the plans and specifications and is now ready for acceptance by the Board.

**LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:**

Safety and Security: This County's Strategic Business Plan includes the Safety and Security strategic initiative, which includes a goal to improve and maintain an adequate transportation infrastructure. This project would be part of the transportation infrastructure in the County and would serve as important infrastructure for the County's public transit system.

**ADMINISTRATIVE SIGN-OFF:**

**/s/ Reed Schenke**

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Reed Schenke, P.E.  
Director

Cc: County Administrative Office

Attachment A: Vicinity Map

Attachment B: Notice of Completion for CNG Fueling System at the Transit Operations and Maintenance Facility