

# Oil Tank Replacement Project Status

## Chester Elementary School

### Background:

The Chester Elementary School has an underground oil tank located in the front of the school. This tank was installed in 1991 during the major school renovation. The tank that was installed is a double walled fiberglass reinforced poly tank with a thirty 30 life expectancy. In 2015, the town of Chester began saving to replace the aging underground oil tank. The initial estimate for replacement was for \$60,000.00. In 2018, a reevaluation of the replacement cost done by Jacobson & Associates estimated it would cost \$100,000.00 to replace the tank. Additional money was allocated by the Town in the capital account to reflect this change. It is expected to be fully funded to \$100,000.00 by July 1, 2020.

In June 2019, Jacobson & Associates recommended ATC Group Services to oversee the management services of the Underground Storage Tank replacement at the Elementary school. A contract was entered with them to prepare specifications for the removal and installation of the tank and to provide oversight of the project including testing, and all closure reports to the appropriate public agencies. This contract is for \$9,800.00.

In January 2020 the Town of Chester and the Chester Elementary School went out to bid with specifications provided by ATC. The result of the bid request returned only one bid by ETT Environmental Services for \$148,700.00. It was determined that one bid (as well as being over projected cost) would not be sufficient in determining the next step in the process. ATC was asked to review the bid specifications and to modify it for a more favorable economic result. ATC complied and the Town of Chester and the Chester Elementary School went back out to bid with these new specifications. The bid proposal was also forwarded to multiple contractors to ensure a more competitive bid process.

The second bid request resulted in 6 bids received (attached bid results). Once again ETT Environmental Services was the lowest bid at \$138,000.00 (again over expected cost). At the same time the Chester Elementary School requested from the DEEP an Alternate Life Expectancy for Underground Storage Tanks used Solely for Storage of Heating Oil for On-Site Consumption pursuant to regulations R.C.S.A. 22a-449(d)-1(h)(3). One requirement was a tightness testing of the primary containment system and the interstitial space on the 10,000 gallon UST. This test was performed by Absolute Tank Testing Inc. for a cost of \$825.00 in March. The UST passed the testing and an application was submitted to DEEP for an Alternate Life Expectancy. This application was granted on May 11, 2020. This gives an extension of life for up to ten years however testing must be completed annually. If testing should fail the life expectancy shall terminate 30 days after the failed test. This means the tank must be replaced within this time frame.

### Currently in the account:

\$100,000.00 – expected July 1, 2020

-\$8,900.00 – ATC

-\$825.00 – Absolute Tank Testing

\$89,375.00 – Total Remaining

To complete the replacement this summer an additional \$50,000.00 allocation would be needed. If put off for two years, it would be the suggestion to anticipate appropriating approximately \$60,000.00 to \$65,000.00 to adjust for increased cost over time.

I request of the Board of Finance to be added to the BOF agenda for May 21<sup>st</sup> to discuss all options to replace the UST (either immediately or in the future) and to request from the Board of Finance its direction it wants me to proceed.

Sincerely,

James Grzybowski  
Facilities Manager  
Chester Elementary School

Oil Tank Bid Opening  
5/7/2020

	Name	Met Requirements	Bid No.
1	True Blue Environmental Services	yes	\$173,500.00
2	Rivco Construction LLC.	yes	\$167,435.00
3	Metro Environmental Services	yes	\$250,000.00
4	SRS Petroleum Services Corp	yes	\$199,600.00
5	ETT Environmental Services	yes	\$138,000.00
6	Kropp Environmental	yes	\$220,629.00