



STAFF REPORT

DATE:

June 20, 2024

TITLE:

Maintenance Yard Fuel Station Replacement Project

RECOMMENDATION:

By Motion:

The Board of Directors

1. Approves the Maintenance Yard Fuel Station Replacement construction cost not to exceed \$1,175,897, including a 10% contingency, utilizing budgeted 2024 Development and Replacement Reserve Funds.
2. Authorizes the General Manager, on behalf of the Association, to enter into a fixed-bid construction contract with L.A. Perks Petroleum Specialists, Inc. to complete the project for \$1,042,376.

BACKGROUND:

The Maintenance Yard Fuel Station has exceeded its useful life. The Fuel Station was last replaced in 2004.

In 2019, Tahoe Donner contracted with L.A. Perks Petroleum Specialists, Inc. (“L.A. Perks”) for a conceptual design and feasibility study for a new covered fuel station at the Tahoe Donner maintenance yard. The conceptual design and feasibility report indicated the following:

- The current fuel station, including (2) 2000-gallon tanks, concrete pad, bollards, spill protection, pumps, and hardware, has exceeded its useful life.
- The Gas Boy fuel management computer hardware and software has exceeded its useful life.
- The Gas Boy fuel management system’s failure to perform at certain times during weather events increases risks.
- A covered fuel station is needed to protect the tanks and pumping system, substantially improving the health and safety of Tahoe Donner employees, and the use of vehicle and equipment assets.
- The current tank sizes of 2,000 gallons each for diesel and gas respectively, frequently run low during major winter storms and are no longer sized appropriately for the Association’s needs.

In 2023, Tahoe Donner contracted with L.A. Perks to complete the design of a new covered structure and associated fueling systems for a contract price of \$47,000.

ANALYSIS:

Final Design

The final plan includes a fully covered fueling station, increased fueling capacity, an upgraded single tank with a split chamber holding 3000 gallons of diesel fuel and 2000 unleaded fuel, and a new FuelMaster fueling management system.





Procurement Process

The specialized nature of the project requires the expertise of a petroleum specialist. L.A. Perks is one of the leading specialists in northern Nevada. The intent of the design contract was to procure LA Perks for construction services pending good relations after the design was complete. The design contract was successfully fulfilled on time and budget. Staff is confident that moving forward to the construction phase with LA Perks is the right decision for the success of the project.

Proposed Project Schedule

The project is anticipated to start in September 2024, with earthwork completed by October 15 and full completion by December 2024.

FISCAL IMPACT:

The project was budgeted at \$107,794 in 2023 for soft costs. Of the soft cost budget, \$47,000 has been allocated and the remaining \$60,794 will be rolled into construction costs. The project's estimated budget was \$1,106,000 for construction costs, utilizing \$356,000 from the Development Fund and \$750,000 from the Replacement Reserve Fund, as approved in the 2024 10-year CFP and Budget. Including the remaining soft cost budget, the total construction budget for the project is \$1,166,197 The proposed funding and project costs are detailed below.

Maintenance Yard Fuel Station Replacement: Board Summary

Updated 6/20/2024

Planned Funding per Approved Annual Capital Budgets (CFP)		Forecasted Funding
Approved 2023 Budget - Soft Costs		107,794
Approved 2024 Budget - Construction		1,115,700
BOD Approved Budget Combined		\$ 1,223,494
Funding Source		
Development Fund		356,000
Replacement Reserve Fund		867,494
Funding Source Total		\$ 1,223,494

Project Costs	Projected Costs	Paid to Date	Liabilities
Design	47,597	25,000	22,597
Construction Contract	1,042,376	-	1,042,376
Owner Project Carrying Costs	29,283	-	29,283
Construction Contingency (10%)	104,238	-	104,238
Projected Costs Total	\$ 1,223,494	25,000	1,198,494

Projected Costs Over / (Under) Budget \$ (0)

Projected Costs Over / (Under) Budget Percentage 0.00%





RECOMMENDATION:

By Motion:

The Board of Directors

3. Approves the Maintenance Yard Fuel Station Replacement Project construction cost not to exceed \$1,175,897 including a 10% contingency, utilizing budgeted 2024 Replacement Reserve Funds and 2024 Development Funds
4. Authorizes the General Manager, on behalf of the Association, to enter a construction contract with L.A. Perks Petroleum Specialists, Inc. not to exceed \$1,042,376.

Prepared by: Michael J. Kane, Superintendent of Maintenance and Facilities

Reviewed by: Jon Mitchell Director of Capital Projects and Facilities

Reviewed by: Justin Malley, Director of Finance and Accounting

Reviewed by: Annie Rosenfeld General Manager

Board of Directors Meeting Date: June 28, 2024

