



**TRUCKEE TAHOE AIRPORT DISTRICT
BOARD OF DIRECTOR STAFF REPORT**

AGENDA TITLE: Acceptance and Approval of Steel Building Bid for Executive Hangar Project.

MEETING DATE: August 23, 2017

PREPARED BY: Kevin Smith, General Manager

RECOMMENDED ACTION: Staff recommends approval of the bid by Q&D Construction as the Steel Building/Hangar Structure Contractor for \$5,308,400 and authorize Board President to sign contract documents.

DISCUSSION: At the May 28, 2017 and June 26, 2017 Board Meetings the Board reviewed information related to project bidding, financial pro-formas and analysis, financing options, operational impacts, Leasing feasibility, land entitlements, NEPA and CEQA compliance, and construction timeline. After deliberation the Board directed staff to pursue the construction of 10 executive hangars. Specifically the Board directed staff at the June 26, 2017 Meeting to rebid the metal building seeking competitive bids for 10 hangars. The Board approved final financing, prelease agreements, and the site work Contract with SNC at their July 26, 2017 Board Meeting. Bids were opened on August 10th for the 10 unit project. The following are updates on key activities related to this project.

10 Unit Hangar Structure Bid Results: Bids were opened on August 10th for the rebid of the project for 10 Units verse the 6 and 12 that were previously bid. The low bidder was Q&D construction at \$5,308,400. Staff and the District Aviation Engineer have reviewed their bid documents and found it to be a responsible bid and recommend approval to the Board of Directors.

The District received 6 Bids total. Bids ranged from \$5,308,400 from Q&D to Landmark Construction at \$8,150,000. Please review the Bid Abstract for a full summary of all Bid numbers and companies responding to our request for bids.

The low bid received on August 10th was an additional \$413,615 from the Bid received by Ranger Construction in June 2017. Staff attributes the increased cost to the additional 6 inches added to the height of the buildings (18'6" vs 18'), an additional option for hydraulic doors, and the fact the buildings were stretched to accommodate a more sturdy design over the 12 unit structure previously proposed. A competitive bidding market also contributed to the increased cost. Overall staff is pleased with the contractor and the product they are proposing. It is a better hangar structure than the June 2017 proposal. While the cost has increased, staff is confident that the project will be built and completed within the budgeted \$7,800,000 for the project.

Project Updates:

Financing Update: Staff has secured a tax exempt loan through Muni Financial and the CSDA Finance Corp. for \$7,800,000 at fixed 3.5% for 20 years. The funding has been received and deposited in a District account.

Site Work Update: Final Contracts will be signed with Sierra Nevada Construction (SNC) for \$1,884,007. Due to the land use approval process for final site and project approval, it is unlikely site work will commence in 2018. SNC has guaranteed their bid pricing through the summer of 2018. We now anticipate a late spring commencement date for site work.

Project Entitlement Process Update: The District received Zoning Approval at the Town of Truckee Planning Commission meeting on August 15th. The Town Council will be reviewing this item at their September 12th Meeting with a second reading on September 26th. That will complete the Town of Truckee zoning and site plan approval requirements. Site Plan approval was completed when the original Site Plan was approved for Mike and Lima Hangar Rows in 2004. The Building Permit will come at a later date when the final design and construction drawings are completed by the metal building manufacturer.

WHAT'S NEXT: Staff will facilitate the signing of contracts with Q&D Construction and order the steel.

FISCAL IMPACT: The final budget is as follows:

Site work & Utilities	\$1,884,007 – Sierra Nevada Construction
Hangar Structure	\$5,308,400 – Q&D Construction
Contingency	\$607,593
Total	\$7,800,000

Staff is pleased with the hard bids received and the selected contractors schedule to complete the projects.

PUBLIC COMMUNICATIONS: Executive Hangars have been discussed in various public meetings and throughout the Master Plan process. Staff has noticed this discussion on the District Website, sent an e-blast to everyone in the system, and notified individuals on the hangar wait list.

SAMPLE MOTION(S):

I move to (approve, continue, deny) Q&D Construction as the Steel Hangar Structure Building contractor for \$5,308,400 and authorize Board President to sign contract documents.

ATTACHMENTS:

Bid Abstract for Steel Hangar Structure

Project Construction Timeline