

TRUCKEE TAHOE AIRPORT DISTRICT
BOARD OF DIRECTORS AGENDA ITEM SUMMARY

Topic: Consideration of Bid Award to Sierra Nevada Construction

Purpose	Information:	Guidance:	Decision: X
Recommendation	Award Runway 10/28 Pavement Rehabilitation Project and authorize Board President to enter into a contract with Sierra Nevada Construction for \$2,271,007 pending final FAA funding approval.		
Last Action	The Board considered this item at their May 3, 2012 Board Meeting. The FAA offered an AIP Grant for \$1,500,000 to complete schedule A or possibly phase the project if additional funding was unavailable. To move the project forward in an attempt to avoid delays, cost escalations, and multiple years of runway closures, the Board authorized an expenditure of \$1,212,847 to provide the funding necessary to complete Schedule A this year. On Monday, May 7, 2012 the District was informed that the FAA will fund all construction costs for Schedule A up to \$2,300,000 essentially providing an additional \$800,000 for schedule A.		
Discussion	<p>Bids were received on April 17, 2012. There were a total of 5 bidders. Bidders were asked to bid on Schedule A which rehabilitates the Pavement but does not remove the hump in the center section of the Runway. Schedule B has the same scope of work as Schedule A, but removes the hump in the Runway. Schedule A bids ranged from \$2,271,007 to \$2,697,185 with Sierra Nevada Construction being the low bidder. Schedule B bids ranged from \$2,897,007 to \$3,625,455 with the low bidder again being Sierra Nevada Construction. Staff and the Project Engineer, Reinard Brandley, have reviewed the bids and are confident in recommending Sierra Nevada Construction for contract award.</p> <p>Regarding FAA funding, the FAA Program Manger overseeing this project was specific to Schedule A and indicated the additional funding was for Schedule A. Schedule B may still be a possibility if the Board chose to award schedule B but it may complicate issues with the FAA. Staff does not recommend funding schedule B. Total cost for schedule B with project management, grant match, and engineering fees is roughly \$3,100,000.</p>		
Fiscal Impact	With the new funding from the FAA total out of pocket expense to the Airport District is \$425,007. This expense includes some of our required Match which is now 10%, engineering fees, and a construction contingency of \$150,000 which staff will work hard not to expend. There is also about \$70,000 built in to the grant project for a Precision Approach Path Indicator (PAPI) for the end of Runway 28. We are still working on FAA approval for this item.		

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	There is a possibility it may not be approved. Staff will use the Grant Eligible project Fund which currently has a balance of \$705,000.
Communication Strategy	Staff was been working with the pilot community to notice the upcoming runway closure. As the construction timeline becomes clear, staff will conduct a significant amount of notice to both local pilots and transient users of the airfield. While inconvenient to the flying community this Runway Project is generally well received and is seen as a necessary and important airport improvement.
Attachments	Bid Results Sheet Detail of Net Asset Balance
