

## STAFF REPORT

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**Date:** October 9, 2024

**To:** Mayor and City Council

**Through:** Jackie Bryant, Interim City Manager

**Subject:** Staff Report (For Possible Action): Award of Contract to L.A. Perks Plumbing and Heating for the Public Safety Fuel Tank project in an amount not to exceed \$1,073,355. (General Capital Project Fund and Fleet Management Fund)

**From:** Justin George, Senior Civil Engineer

**Department:** Public Works

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**Summary:**

With the completion of the new Public Safety Center project, the Reno Police Department (RPD) are relocating from 455 East Second Street to 911 Kuenzli Street. The future Reno Fire Department (RFD) Central Station will be located at 455 East Second Street. The existing fuel tank at 455 East Second Street is 26 years old, and past its useful lifespan. It will be decommissioned as part of the RFD Central Station project. To serve RPD's fuel needs and improve the City fleet's overall fuel resiliency, this project will install a new 20,000-gallon above-ground storage at the City of Reno Maintenance & Operations Yard located at 1640 E. Commercial Row. This project will also include the replacement of the fuel dispensers and tank level monitoring systems at the Parks Maintenance Yard located in Idlewild Park at 2055 Idlewild Drive and the conversion of an existing fuel tank from diesel to unleaded gas at the City of Reno Maintenance & Operations Yard. The Maintenance and Operations Department identified these repairs as high priority due to failures and lack of parts availability.

Staff conducted a public bid for the project. Two bids were received and opened on September 12, 2024. L.A. Perks Plumbing and Heating submitted the best bid pursuant to the requirements established in Nevada Revised Statutes (NRS) Chapter 338.147.

Funding for this project will come from the General Capital Projects Fund and the Fleet Maintenance Fund. Staff recommends Council award the contract to L.A. Perks Plumbing and Heating for the Public Safety Fuel Tank project in an amount not to exceed \$1,073,355 which includes \$140,000 in contingency. This work is scheduled to be complete by summer of 2025.

<b>Consent Review</b>	<b>Yes</b>	<b>No</b>
1. Is this item an annual or standard item that comes before Council for regular approval?		<b>X</b>
2. Is this item an agreement required based on an item previously approved by Council?		<b>X</b>
3. Is this item included in the current budget approved and adopted by Council?	<b>X</b>	
<b>Other Considerations</b>		
What percent of the total City budget does this item represent?	<b>0.11 %</b>	

**Alignment with Strategic Plan:**

Public Safety

Infrastructure, Climate Change, and Environmental Sustainability

**Previous Council Action:**

March 8, 2023: Council approved demolition of the Reno Police Headquarters located at 455 E. Second Street and building of a new Reno Fire Department Central Station facility.

March 23, 2022: Council adopted Bond Resolutions including \$2,000,000 allocated to RFD Central Station project.

February 23, 2022: Council adopted a Bond Resolution to begin process to issue tax-exempt general obligations to construct; Public Safety Center and Moana Springs Community Aquatics and Fitness Center and to the Reno Fire Department Headquarters.

December 8, 2021: Council adopted a Bond Resolution to begin process to issue tax-exempt general obligations to construct; Public Safety Center and Moana Springs Community Aquatics and Fitness Center and to the Reno Fire Department Headquarters.

**Background:**

With the completion of the new Public Safety Center project, the Reno Police Department (RPD) are relocating from 455 East Second Street to 911 Kuenzli Street. The future Reno Fire Department (RFD) Central Station will be located at 455 East Second Street. The existing fuel tank at 455 East Second Street is 26 years old, and past its useful lifespan. As part of the RFD Central Station project, the existing fuel tank at 455 East Second Street will be decommissioned and recycled. This project will install a new 20,000-gallon above ground storage tank and ancillary equipment at the City of Reno Corp Yard by Public Works.

Fleet Management, is responsible for fuel management, and as such is responsible for maintaining and repairing the city's fuel sites and infrastructure. The city's fuel sites, located at multiple facilities throughout the City, were installed at various times, and require routine

maintenance and repair. Fleet Management has prioritized replacing the fuel dispensers at each site due to age, failures, lack of parts availability, and outdated tank monitoring systems.

The City of Reno Public Works and Maintenance and Operations departments capitalized on an opportunity to collaborate and bundle the fuel system upgrades with the decommissioning of the old RPD tank and procurement of a new 20,000-gallon tank for the Corp Yard. Combining the projects resulted in lower costs equipment costs, mobilization & demobilization costs, and less staff time consumed administering multiple projects.

**Discussion:**

The project scope of work includes decommissioning and disposal of an existing above ground unleaded gasoline storage tank, procurement and installation of a new diesel storage tank, conversion of an existing diesel tank to unleaded gasoline, and procurement and installation of new tank monitoring equipment for City fleet fuel stations.

The current above ground unleaded gasoline storage tank at 455 East 2nd Street, the old police station, will be decommissioned and properly disposed of as it has reached its useful life and needs to be removed to make way for Central Station. A new 20,000 gallon above ground diesel storage tank and ancillary equipment will be procured and installed at the City of Reno Maintenance & Operations (Corp Yard) at 1640 East Commercial Row. The current above ground diesel storage tank at the City of Reno Corp Yard will be converted from diesel to unleaded gasoline along with installation of ancillary equipment. These fuel storage tank upgrades will improve the fuel capacity and resiliency for City fleet vehicles that refuel at the Corp Yard and to accommodate additional demand from RPD vehicles that will now be refueling at the Corp Yard since opening the PSC. This project also includes procurement and installation of new tank monitoring equipment for an existing above ground storage tank at City of Reno's Idlewild fuel site at 1505 Idlewild Drive and removal and replacement of the existing dispenser.

Staff conducted a public bid for this project. Staff received and opened two bids for the Public Safety Fuel Tank project on September 12, 2024. L.A. Perks Plumbing and Heating submitted the best bid pursuant to the requirements established in Nevada Revised Statute (NRS) Chapter 338. L.A. Perks Plumbing and Heating is a local contractor licensed in Nevada and has successfully completed previous projects for the City.

**Table 1 - Bid Summary**

<b>Bidder</b>	<b>Total Bid Price</b>
Engineer's Estimate	\$1,000,000
L.A. Perks Plumbing and Heating	\$933,355
MKD Construction Inc.	\$ 1,677,777

Staff recommends award to L.A. Perks Plumbing and Heating for the Public Safety Fuel Tank project for \$1,073,355 which includes a \$140,000 contingency for unforeseen items encountered during construction.

**Table 2 - Recommended Bid Award**

L.A. Perks Plumbing and Heating	\$933,355
Contingency	\$140,000
<b>Bid Award</b>	<b>\$1,073,355</b>

The consequences of not awarding this bid today will result in delayed upgrades of the City's fuel level monitoring systems, card reader systems, and dispensers at all fueling locations, and a delay of the procurement and installation of a new fuel tank for Fleet.

**Financial Implications:**

Funding for this project shall be split with \$791,681.75 General Capital Projects Fund and \$281,673.25 from the Fleet Management Fund. General Capital Projects Funds for this project are from \$2M General Obligation Bond proceeds for RFD Central Station project site.

**Legal Implications:**

Legal review completed for compliance with City procedures and Nevada law. This Contract was competitively bid in accordance with Chapter 338 of the Nevada Revised Statutes (NRS). L.A. Perks Plumbing and Heating submitted the best bid and maintains the proper license to perform the project

**Recommendation:**

Staff recommends Council award the contract to L.A. Perks Plumbing and Heating for the Public Safety Fuel Tank project in an amount not to exceed \$1,073,355 and authorize the Mayor to sign the contract.

**Proposed Motion:**

I move to award the contract to L.A. Perks Plumbing and Heating for the Public Safety Fuel Tank project in an amount not to exceed \$1,073,355 and authorize the Mayor to sign the contract.

**Attachments:**

Contract