



City Council Report

Date: October 20, 2025
To: City Council
Through: Marc Heirshberg, Assistant City Manager
From: Lance Webb, City Engineer
Subject: Fuel Station Improvements
City Project No. CP1005
Council Districts 4, 5, and 6

Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price for Fuel Station Improvements, a Construction Manager at Risk (CMAR) project. (See Exhibit “A” for project locations).

Staff recommends that Council award a contract for this project to KEAR Civil Group in the amount of \$7,363,275 (GMP) and authorize a change order allowance in the amount of \$736,328 (10%).

Background

This project consists of fuel station and site improvements to three sites. At the Superstition Sub-Station Fuel Station, the current underground storage tanks and fueling island will be removed and a new fueling island with shaded canopy system will be constructed. New vaulted underground storage tanks will be constructed with additional fuel storage capacity. The south parking lot will be regraded to restore pavement condition and route runoff away from the fuel station. At the Falcon Fuel Station, leaking below-grade risers housing fuel equipment will be removed and replaced. At the 6th Street Fuel Station, risers for accessing the underground fuel vaults will be recoated to prevent water infiltration and the surrounding pavement will be regraded to improve drainage conditions.

Discussion

In July of 2023, Staff received one “Statement of Qualifications” (SOQ) from a contractor proposing to act as the CMAR for this project. Based on an evaluation of the SOQ, KEAR Civil Group was recommended as the qualified CMAR and awarded a contract for Pre-Construction Services. They provided Pre-Construction Services through the design phase.

This GMP is to cover all phases of construction. Once underway, construction of this

project is anticipated to last no more than 13 months.

Alternatives

An alternative to the approval of this Pre-Construction Services contract for the selected CMAR would be to construct this project using the traditional Design/Bid/Build method. This is not recommended due to the work occurring within secure City facilities and the specialized nature of construction efforts needed at the fuel stations.

Fiscal Impact

The total authorized amount recommended for this contract is \$8,099,603 and is based upon a GMP of \$7,363,275 plus an additional \$736,328 (10%) change order allowance.

This project is funded by the Environmental Compliance Fee Fund and the Capital General Fund.

Coordinated With

The Fleet Services and Police Departments concur with this recommendation.