

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
District General Manager

FROM: Brad Underwood, P.E.
Director of Public Works

SUBJECT: Review, discuss, and possibly approve a construction contract for the Slott Peak Watermain and PRV 3-1 Improvements Project – 2299WS1706 - Fund: Utilities; Division: Water; Vendor: RaPiD Construction, Inc., in the amount of \$176,671.00; plus 10% contingency. Washoe County Permit Fees of \$42,500; plus 25% contingency

STRATEGIC PLAN: Long Range Principle 5 – Assets and Infrastructure

DATE: March 9, 2022

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Award a construction contract for the Slott Peak Watermain and PRV 3-1 Improvements Project – 2299WS1706 - Fund: Water; Division: Supply & Distribution; Vendor: RaPiD Construction, Inc., in the amount of \$176,671.
2. Authorize Staff to pay Washoe County Encroachment/Excavation Permit (E/E Permit, formerly Street Cut Permit) administrative fees and permanent pavement patch restoration costs in the amount of \$42,500.
3. Authorize Staff to execute change orders for additional work not anticipated at this time of approximately 10% of the construction contract value and 25% of the Washoe County Permit fees; up to the amount of \$20,000 (11.3%) and \$10,625, respectively (total contingency of \$30,625).
4. Authorize Chair and Secretary to execute the contract with RaPiD Construction, Inc., based on a review by General Counsel and Staff.

II. DISTRICT STRATEGIC PLAN

Long Range Principle 5 – Assets and Infrastructure – The District will practice perpetual asset renewal, replacement, and improvement to provide safe and superior long term utility services and recreation venues, facilities and services.

- Maintain, renew, expand, and enhance District infrastructure to meet the capacity needs and desires of the community for future generations.
- Maintain, procure, and construct District assets to ensure safe and accessible operations for the public and the District's workforce.

III. **BACKGROUND**

This project is a FY 2021-22 Capital Improvement Project, and is a continuation of the multi-year program to replace 1960's-era thin-wall steel watermains and other deficient watermains. This project will replace the watermain in Slott Peak Court, a cul-de-sac on the western end of Lakeshore Boulevard.

Our overall goal is to replace deficient watermains to keep our unaccounted for water loss to under 6% and to avoid costly pavement patch penalties imposed by Washoe County. The original watermains installed in much of Incline Village in the 1960's were thin-walled steel. These pipes are generally requiring regular maintenance and need replacement. Washoe County has high pavement penalty costs for replacing watermains in newly paved streets. Replacing watermains in newly paved streets or streets with excellent pavement condition could increase project costs by up to 50%, due to pavement cut penalties.

Replacement criteria is twofold: Replace watermains with the most leaks, and watermains in streets with aging pavement. Since our water loss is now less than 6%, our main objective is to coordinate with the Washoe County Road Department to replace watermains prior to the County's repaving or rehabilitating the street. We also work closely with the North Lake Tahoe Fire Protection District to determine areas of low fire flow, which may indicate a need for increased capacity in that area. There are approximately 6 miles of old steel watermains remaining in the system. Staff will be re-evaluating the steel watermain replacement program due to the recent increases to the Construction Cost Index (CCI). This work will be completed prior to development of the 5-year CIP for FY 2024.

In accordance with Board Policy 3.1.0., 0.15, Consent Calendar, this item is included on the Consent Calendar as it is routine business of the District and within the currently approved District Budget.

IV. **BID RESULTS**

The District publicly advertised this project for bidding on January 28, 2022 with a bid submittal due date of February 24, 2022, a 4-week bid period. The District advertised the work as required by NRS 338 and posted all construction

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documents on PlanetBids. Vendors and contractors on PlanetBids can access all of the District's documents at no cost. The online portal also tracks questions, addenda to the documents, plan holders and interested vendors.

This project was bid with two Schedules: Schedule A is the replacement of watermains in Slott Peak Court, with Schedule B being improvements to the pressure relief valve (PRV) 3-1 in the same area. An Add Alternate was also included in the bid, for permanent pavement restoration to Slott Peak Court and Lakeshore Blvd.

The Add Alternate relates to the permanent pavement restoration that is completed at the end of the project. As part of the County E/E Permit application, the Applicant can opt to perform the pavement restoration with its own contractor or the Applicant can handover to Washoe County to complete as part of the County's own capital work at a later date. In the latter case, the County would then bill IVGID for the work after completion. The volatility of petroleum prices is a consideration when evaluating award of the Add Alternate with this project; this is reflected in the 25% contingency request for the County Permit fee.

Of note at the time of application, the permanent restoration limits are not definitively identified or quantified. Typically, the County specifies a "negotiated reconstruction" as part of the Permit application process that includes the County providing a plan mark-up showing an estimated extent of pavement replacement and/or protective slurry seal coating that will be required by the Applicant (i.e. IVGID); the Add Alternate Bid from RaPiD (\$61,892) is based upon the extents of the negotiated reconstruction scope provided by Washoe County. An additional \$2,150 administrative County Permit fee is applied on top of the Add Alternate cost.

If the Applicant opts to defer permanent pavement restoration to the County as part of the Permit, the associated fee is based on proposed trench dimensions shown on the construction drawings; a reconstruction plan mark-up is not completed or provided. Therefore, the uncertainty around County-performed pavement restoration work is also reflected in the 25% contingency requested for County Permit fees and permanent pavement restoration.

Staff recommends that the permanent pavement restoration work, bid under our Add Alternate schedule, be completed by Washoe County and included in the Permit fees. An additional benefit to the County performing this work is the District will not be responsible for any warranty issues that may arise with the new pavement.

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Please note that the final extents of pavement reconstruction will be determined at the time of construction and both the Add Alternate scope and the County scope are subject to increase from estimates included herein.

The District received and opened four (4) responsive bids. The Engineer's Estimate for the base project was \$220,812, inclusive of the permanent pavement restoration/bid alternate. The Engineer's Estimate did not include a contingency. The bid results are as follows.

Contractor	Base Bid, Schedule A	Base Bid, Schedule B	Total Bid, Schedules A & B	<i>Add Alternate Bid</i>	<i>Total Bid w/Alternate</i>
RaPiD Const.	\$165,425	\$11,246	\$176,671	\$61,892	\$238,563
Gerhardt & Berry	\$173,509	\$14,680	\$188,189	\$61,071	\$249,260
F. W. Carson	\$192,887	\$12,095	\$204,982	\$58,344	\$263,326
MKD Construction	\$244,777	\$15,000	\$259,777	\$88,532	\$348,309
Washoe County	n/a	n/a	n/a	\$53,125*	229,796**

* - figure includes \$42,500 Washoe County fee estimate and \$10,625 contingency

** - figure includes RaPiD A&B Schedules and County Bid Alternate

The lowest responsive bidder is RaPiD Construction, Inc. (Attachment A).

District Staff reviewed the bid, available project budget, and checked references for the Contractor. Staff recommends awarding both Schedules A and B to RaPiD Construction, Inc., for a total amount of \$176,671.

If awarded, a Notice to Proceed is expected to be issued on or about April 25, 2022 with work expected to be performed within 35 consecutive business days, between May 2 and June 30, 2022.

V. FINANCIAL IMPACT AND BUDGET

The Slott Peak Watermain Replacement Project (2299WS1706) is included in the FY 2021-22 CIP Budget, with a total project budget of \$280,000 (Attachment B).

The table below presents the estimated cost for the Slott Peak Waterline and PRV 3-1 project budget, based on the bids received:

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Task	Cost
Design/Internal Staff	\$20,500
Construction by RaPiD Construction, Inc.	\$176,671
Construction Inspection & Testing	\$5,400
Construction Reserves/Contingency	\$20,000
Washoe County Permit Fee	\$53,125
Total	\$275,696
	Remaining Project Budget
	\$275,775***

*** Remaining budget accounts for costs incurred to date inclusive of the previous 2021 design/bid phase and the current 2022 design/bid phase.

Construction reserves are listed at approximately 11% to account for unforeseen conditions during construction such as unknown ground conditions or existing utility conflicts, as an example.

VI. ALTERNATIVES

Not authorize the construction and defer the Slott Peak Waterline and PRV 3-1 Improvements project.

VII. BUSINESS IMPACT

This item is not a "rule" within the meaning of Nevada Revised Statutes, Chapter 237, and does not require a Business Impact Statement.

Attachments:

- A – Construction Contract with RaPiD Construction, Inc.
- B – CIP 2299WS1706 Data Sheet

SECTION 5
AGREEMENT BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT

This Agreement is by and between the **Incline Village General Improvement District** (“Owner” or “IVGID”) and **RaPiD Construction, Inc., a Domestic Corporation** (“Contractor”). This Agreement will be effective on **[TBD]** (which is the Effective Date of the Contract). Terms used in this Agreement have the meanings stated in the General Conditions and the Supplementary Conditions.

Owner and Contractor hereby agree as follows:

ARTICLE 1—WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows:

Schedule A, Slott Peak Watermain Improvements: Replace approximately 319 LF (E) water main with 8” DR-14 PVC or Class 350 DIP water main in Washoe Co. ROW. Connect to (E) 8” water main in Washoe Co. ROW. Connect existing domestic service lines. Construct one (1) fire hydrant assembly.

Schedule B, PRV 3-1 Improvements: Replace two (2) 6-inch gate valves, three (3) 3-inch gate valves, and relocation of an existing air release valve in an existing pressure reducing vault located in Washoe County ROW.

The Work also includes: Abandonment of specified lines and valves; traffic control, maintain residential and business driveway access, erosion & sediment controls, pavement restoration, replacement of existing features, including vegetation, concrete, and other utilities removed and/or damaged by construction activity, acquisition of Washoe County street cut permits and all related appurtenances; compliance with County permit conditions and working within Right of Ways in Incline Village, Washoe County, Nevada.

ARTICLE 2—THE PROJECT

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: **Slott Peak Watermain and PRV 3-1 Improvements**

ARTICLE 3—ENGINEER

3.01 IVGID’s Engineering Division is to act as Owner’s representative, assume all duties and responsibilities of Engineer, and have the rights and authority assigned to Engineer in the Contract.

3.02 The part of the Project that pertains to the Work has been designed by the IVGID Engineering Division.

ARTICLE 4—CONTRACT TIMES

4.01 *Time is of the Essence*

- A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.
- B. The OWNER anticipates issuing the Notice to Proceed on or about **April 25, 2022**.
- C. The Work is to be performed within 35 consecutive business days (Monday – Friday) between **May 2 and June 30, 2022**.
- D. The Work will be substantially complete on or before **June 30, 2022** and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before **July 22, 2022**.

4.03 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the Contract Times, as duly modified. The parties also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
 - 1. *Substantial Completion*: Contractor shall pay Owner \$1,000 for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for Substantial Completion, until the Work is substantially complete.
 - 2. *Completion of Remaining Work*: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner \$1,000 for each day that expires after such time until the Work is completed and ready for final payment.
 - 4. Liquidated damages for failing to timely attain Substantial Completion, and final completion are not additive, and will not be imposed concurrently.
- B. If Owner recovers liquidated damages for a delay in completion by Contractor, then such liquidated damages are Owner's sole and exclusive remedy for such delay, and Owner is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages (if any) specified in this Agreement.

ARTICLE 5—CONTRACT PRICE

- 5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents, the amounts that follow, subject to adjustment under the Contract:
 - A. For all Unit Price Work, an amount equal to the sum of the extended prices (established for each separately identified item of Unit Price Work as shown on the Bid Form. The total estimated Contract Price is **One Hundred Seventy-Six Thousand Six Hundred Seventy-One Dollars (\$176,671.00)**.

The extended prices for Unit Price Work set forth as of the Effective Date of the Contract are based on estimated quantities. As provided in Paragraph 13.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer.

ARTICLE 6—PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment shall be emailed to rlr@ivgid.org and will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on the basis of Contractor's Applications for Payment, as recommended by Engineer, on or about the first day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.

- 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.

- a. Ninety-five percent (95%) of the value of the Work completed (with the balance being retainage).

- 1) If 50 percent or more of the Work has been completed, as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage.

- b. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to ninety-seven and one-half percent (97.5%) of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work, and as recommended by Engineer, Owner shall pay the remainder of the Contract Price in accordance with Paragraph 15.06 of the General Conditions.

6.04 *Consent of Surety*

- A. Owner will not make final payment, or return or release retainage at Substantial Completion or any other time, unless Contractor submits written consent of the surety to such payment, return, or release.

6.05 *Interest*

- A. All amounts not paid when due will bear interest at the rate of six percent (6%) per annum.

ARTICLE 7—CONTRACT DOCUMENTS

7.01 *Contents*

- A. The Contract Documents consist of all of the following:
 - 1. This Agreement.
 - 2. Contractor's Bid dated February 24, 2022.
 - 3. Bonds:
 - a. Performance bond (together with power of attorney).
 - b. Payment bond (together with power of attorney).
 - 4. General Conditions.
 - 5. Supplementary Conditions.
 - 6. Specifications as listed in the table of contents of the project manual (copy of list attached).
 - 7. Drawings (not attached but incorporated by reference) consisting of **eight** sheets with each sheet bearing the following general title: **Slott Peak Watermain and PRV 3-1 Improvement Project**.
 - 8. Addenda (none).
 - 9. Exhibits to this Agreement (enumerated as follows):
 - a. Documentation submitted by Contractor prior to Notice of Award (none)
 - b. For all projects over \$100,000, State of Nevada Prevailing Wage Rates, Washoe County, current edition as of Bid Opening date of Project.
 - 10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed.
 - b. Work Change Directives.
 - c. Change Orders.
- B. The Contract Documents listed in Paragraph 7.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 7.

- D. The Contract Documents may only be amended, modified, or supplemented as provided in the Contract.

ARTICLE 8—REPRESENTATIONS, CERTIFICATIONS, AND STIPULATIONS

8.01 Contractor's Representations

- A. In order to induce Owner to enter into this Contract, Contractor makes the following representations:
1. Contractor has examined and carefully studied the Contract Documents, including Addenda.
 2. Contractor has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 3. Contractor is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
 4. Contractor has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.
 5. Contractor has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
 6. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (c) Contractor's safety precautions and programs.
 7. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
 8. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
 9. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.

10. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

8.02 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 8.02:
 1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
 4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

8.03 *Standard General Conditions*

- A. Owner stipulates that if the General Conditions that are made a part of this Contract are EJCDC® C-700, Standard General Conditions for the Construction Contract (2018), published by the Engineers Joint Contract Documents Committee, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, in the Supplementary Conditions.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

OWNER:

INCLINE VILLAGE G. I. D.

Agreed to:

Tim Callicrate, Chairman

Date

Sara Schmitz, Secretary

Date

Reviewed as to Form:

Joshua Nelson
District Legal Counsel

Date

OWNER'S address for giving notice:
INCLINE VILLAGE G. I. D.
893 Southwood Boulevard
Incline Village, Nevada 89451
775-832-1267- Engineering Division

CONTRACTOR:

RaPiD Construction, Inc.

Agreed to:

By: _____
Signature of Authorized Agent

Print or Type Name and Title

Date

If CONTRACTOR is a Corporation, attach evidence of authority to sign.

CONTRACTOR'S address for giving notice:

RaPiD Construction, Inc.
3072 Research Way, #54
Carson City, Nevada 89706
775-883-4269



Project Summary

Project Number:	2299WS1706
Title:	Watermain Replacement - Slott Pk Ct
Project Type:	D - Capital Improvement - Existing Facilities
Division:	21 - Supply & Distribution
Budget Year:	2021
Finance Option:	
Asset Type:	DI - Distribution Infrastructure
Active:	Yes

Project Description				
<p>This project is a continuation of the multi-year program to replace 1960's era thin-wall steel watermains and other deficient watermains. This project will replace the watermain on Slott Peak, a Cul de Sac on the western end of Lakeshore Blvd.. Replacement criteria is twofold: Replace those watermains with the most leaks and in streets with aging pavement. Since our water loss is now less than 6%, our main objective is to work closely with the Washoe County Road Department to replace watermains just prior to the County's repaving the street. We also work closely with the North Lake Tahoe Fire Protection District to determine areas of low fire flow, which may indicate a need for increased capacity in that area. There is approximately 6 miles of old steel watermains remaining in the system.</p> <p>Our watermain replacement strategy involves meeting with Washoe County prior to each budget year and jointly agreeing on streets to be paved and watermains to be replaced. This project budgets to replace approx. 6 miles of pipeline in 15 years at \$1,500,000 per mile. Without additional escalators, that is \$9,000,000 in 15 years or \$600,000 per year. Adjustments have been made to allow for the trend of a high year then low year of work scheduled.</p>				
Project Internal Staff				
Engineering will perform Design, Engineering, Bidding, Contract Administration and Inspection tasks. Outside contractor to do the work. IVGID resources remain available for ongoing maintenance activities and emergency response.				
Project Justification				
Our overall goal is to replace deficient watermains to keep our unaccounted for water loss to under 6% and to avoid costly pavement patch penalties imposed by Washoe County. The original watermains installed in much of Incline Village in the 1960's were thin-walled steel. These pipes are now failing repeatedly and need replacement. Washoe County has high pavement penalty costs for replacing watermains in newly paved streets. Replacing watermains in newly paved streets or streets with an excellent pavement condition could increase project costs by up to 50% due to pavement cut penalties.				
Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2022				
Construction Inspection & Testing	30,000	0	30,000	
Internal Planning & Design	45,000	0	45,000	
Washoe Co Street Repair and Penalties	25,000	0	25,000	
Watermain Construction	150,000	0	150,000	
Year Total	250,000	0	250,000	
	250,000	0	250,000	
Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2017	Nov 2, 2020	Jun 30, 2022	Senior Engineer	