

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** Indra Winqest  
District General Manager

**FROM:** Nathan Chorey, P.E.  
Engineering Manager

**SUBJECT:** Review, discuss, and possibly authorize additional engineering services during construction for the Water Resources Recovery Facility Improvements Project; Fund: Utilities; Division: Sewer; Project 2259SS1707; Vendor: CH2M HILL, Inc in the amount of \$18,000.

**DATE:** December 1, 2020

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### **I. RECOMMENDATION**

That the Board of Trustees makes a motion to:

1. Authorize a professional services contract for the Water Resources Recovery Facility Improvements Project; Fund: Utilities; Division: Sewer; Project 2259SS1707; Vendor: CH2M HILL (Jacobs), Inc in the amount of \$18,000.

### **II. BACKGROUND**

At the December 11, 2019 IVGID Board of Trustees Meeting, a motion was made to:

1. Award a construction contract to K.G. Walters Construction Co., Inc. in the amount of \$1,508,500 for the Water Resource Recovery Facility Improvements Project.
2. Authorize Chair and Secretary to execute the contract with K.G. Walters Construction Co., Inc., based on a review by General Counsel and Staff.
3. Authorize Staff to approve change orders to the construction contract for additional work not anticipated at this time of up to 10% of the project bid – \$150,000.
4. Authorize Staff to enter into an Additional Task Order with Jacobs Engineering totaling \$60,000 for services during construction of the project.
5. Acknowledge the additional use of \$466,500 from the Utility Fund cash to complete the Project Budget for CIP 2599SS1707.

Review, discuss, and possibly authorize additional engineering services during construction for the Water Resources Recovery Facility Improvements Project; Fund: Utilities; Division: Sewer; Project 2259SS1707; Vendor: CH2M HILL, Inc in the amount of \$18,000.

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December 1, 2020

See Meeting Minutes from the December 11, 2019 IVGID Board of Trustees Meeting attached to this Memorandum.

As authorized in motion #4 above, Jacobs is currently providing professional engineering services during construction on a time and materials basis. The additional services provided in the attached proposal provide instrumentation and programming work that is needed to incorporate the new blower system into the existing Water Resources Recovery Facility (WRRF) infrastructure. This work is being requested by IVGID at this time as it was not reasonable to anticipate the need for these additional services when Jacob's prepared their original scope of work and budget.

The services provided by Jacobs will provide IVGID's WRRF staff the ability to remotely monitor and control the new aeration system which is a critical process component at the WRRF. Operators will be able to view and modulate dissolved oxygen levels, view and control valve positions, view the corresponding air pressures and flows, and control blower parameters. The work will also incorporate the new system into the alarming system which will alert operators should potential wastewater treatment performance concerns arise and allow for them to respond and acknowledge the alarms.

In accordance with Board policy 3.1.0, 0.4 Item(s) of Business/Agenda Preparation, this item is included on the consent calendar.

### **III. FINANCIAL IMPACT AND BUDGET**

At the December 11, 2019 IVGID Board of Trustees Meeting, Trustees moved to; *Authorize Staff to approve change orders to the construction contract for additional work not anticipated at this time of up to 10% of the project bid – \$150,000.*

As of November 23, 2020, change orders have been authorized for \$13,414.05. IVGID will utilize a portion of the \$150,000 identified for additional work to fund the professional services contract in the amount of \$18,000.

### **IV. 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:

IVGID Board of Trustee Meeting Minutes Except from December 11, 2019 Meeting Task Order No. 37, Amendment No. 1 - Proposal  
CH2M Hill, Inc Short Form Agreement

Trustee Callicrate made a motion to approve the questions presented for the Trustee candidates. Trustee Morris seconded the motion. Chairwoman Wong asked for further comments, none were made, so she called the question – the motion was passed unanimously.

**H.9. Review, Discuss, and Possibly Authorize Multiple Contracts for the Water Resource Recovery Facility Improvements Project; 2019/2020 Capital Improvement Project: Fund: Public Works; Division: Sewer; Project # 2599SS1707; Vendors: K.G. Walters Construction Co., Inc., in the amount of \$1,508,500 and Jacobs Engineering in the amount of \$60,000. and Acknowledge the additional use of \$466,500 of Utility Fund cash to complete the project (Requesting Staff Member: Director of Public Works Joe Pomroy)**

Director of Public Works Joe Pomroy gave an overview of the submitted materials.

Trustee Callicrate asked if this project was going to improve the odors that come down to the Mill Creek area. Director of Public Works Pomroy said it will improve them but not eliminate them. Trustee Callicrate said that there is a woman around the corner from where he lives that has asthma. Director of Public Works Pomroy said it is in the five year plan to address the fugitive odors.

Trustee Dent said that there was fifty thousand dollars that was budgeted in 2018 which wasn't included in this memorandum. This went out to bid and it is what it is. How can the Board be assured that there aren't other projects within the District that Jacobs hasn't updated their costs on equipment? Director of Public Works Pomroy said that the District has no other projects in this phase as we rejected the last one and it will get entered into the capital projects budgets for next year. Trustee Dent said this is dipping into utility fund reserves which is imperative for us to keep that in mind with the rate study and do a rate increase; this project is an example of doing that and keep it in mind for the future.

Trustee Morris made a motion to award a construction contract to K.G. Walters Construction Co., Inc. in the amount of \$1,508,500 for the Water Resource Recovery Facility Improvements Project, authorize Chair and Secretary to execute the contract with K.G.

Walters Construction Co., Inc., based on a review by General Counsel and Staff, authorize Staff to approve change orders to the construction contract for additional work not anticipated at this time of up to 10% of the project bid – \$150,000., authorize Staff to enter into an Additional Task Order with Jacobs Engineering totaling \$60,000 for services during construction of the project, and acknowledge the additional use of \$466,500 from the Utility Fund cash to complete the Project Budget for CIP 2599SS1707. Trustee Callicrate seconded the motion. Chairwoman Wong asked for further comments, none were made so she called the question – the motion was passed unanimously.

**H.10. Case No. CV11-01380 Aaron L. Katz v. IVGID**

- (1) Receive and discuss a verbal status report from litigation counsel, Thomas P. Beko, Esq., regarding litigation involving Aaron Katz Case No. CV11 01380 under Nevada Supreme Court Appeal Nos. 70440 & 71493
- (2) Review, discuss and possibly approve the filing of a motion to recover costs accumulated between the payment of \$241,046.11 made by the Plaintiff and the time of the order, which is estimated at up to \$150,000, with the cost of filing this motion to be not exceed \$25,000

(Requesting Staff Member: Interim District General Manager Indra Winquest with assistance from Thomas Beko, Esq.)

**This item was removed from the agenda in its entirety.**

**H.11. Case No. CV18-01564 Mark E. Smith v. IVGID**

- (1) Receive, review and discuss status report from litigation counsel, Thomas P. Beko, Esq., regarding defense of lawsuit initiated by Mark E. Smith under Case No. CV18-01564 against the Incline Village General Improvement District (“IVGID”), IVGID Board Chair Kendra Wong, and District Legal Counsel Jason Guinasso.
- (2) Review, discuss and possibly approve legal fees and costs to cover fees that were not budgeted as of the last update (estimated to be not to exceed \$13,000.00 over current authorization).
- (3) Authorize litigation counsel, Thomas P. Beko, Esq., to pursue a motion to remove IVGID Board Chair Kendra



# **Task Order No. 37, Amendment No. 1**

## **Incline Village General Improvement District**

### **WRRF Aeration Improvements Project:**

#### **Professional Services During Construction-HMI Programing and Integration**

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This is Amendment No. 1 to Task Order No. 37 of the AGREEMENT FOR PROFESSIONAL SERVICES between Incline Village General Improvement District (IVGID or OWNER) and CH2M HILL, Inc. (ENGINEER), dated July 31, 2009. The work covered under this Task Order involves professional services during construction for the construction phase of the Water Resource Recovery Facility (WRRF) Aeration Improvements Project.

### **Background and Project Need**

ENGINEER has prepared Bid Documents and has been providing engineering services during construction for the subject Project. The OWNER has requested the ENGINEER provide development, implementation, testing, and commissioning of the new blower human-machine interface (HMI) into the plants existing system.

### **Scope of Professional Services**

ENGINEER will provide the following professional services:

- Addition of a new network data server for blower PLC.
- Addition of an Aerzen floating point valve and discrete tag arrays.
- Development of a new blower process window.
- Add a dissolved oxygen (DO), air flow, and valve statuses to existing secondary treatment process window for each of the six basins.
  - Blower and secondary treatment windows will include links to pop-out window where setpoints for DO, airflow, and valve position will be enterable based on user permission level.
- Implementation/integration of above items.
- Commissioning of the above items.

### **Deliverables**

- HMI programing and integration including PDFs of draft HMI screens emailed to IVGID for review and input.

### **Assumptions**

The following assumptions were made to develop the scope of engineering services and estimated fee for this Project:

- Work is anticipated to commence and completed in October 2020.
- ENGINEER will rely on previously provided submittal data for integration of new system
- OWNERS review of draft HMI screens and comment delivery to ENGINEER will be completed within 3 days of draft screen delivery.
- ENGINEER will require one site visit for onsite deployment of program.

## Compensation

Compensation by OWNER to ENGINEER will be as follows:

### Cost Reimbursable Per Diem (Time and Expense)

For services defined in this Task Order, at the Per Diem Rates referenced below, plus Direct Expenses, plus a service charge of 10 percent of Direct Expenses and 10 percent of subcontracts and outside services, plus applicable sales, use, value added, business transfer, gross receipts, or other similar taxes.

### Budget

A time and materials budgetary amount of **\$18,000** excluding taxes, is hereby established for services in this Agreement. ENGINEER will make reasonable efforts to complete the work within the noted budgets and will keep OWNER informed of progress toward that end so that the budgets or work effort can be adjusted if found necessary. ENGINEER will give prompt notice to OWNER whenever ENGINEER observes or becomes aware of any significant development that affects the scope or timing of ENGINEER's services.

ENGINEER is not obligated to incur costs beyond the indicated budgets, as may be adjusted, and OWNER is not obligated to pay ENGINEER beyond these limits.

When any budget has been increased, ENGINEER's excess costs expended prior to such increase will be allowable to the same extent as if such costs had been incurred after the approved increase.

### Per Diem Rates

Per Diem Rates are those hourly rates charged for work performed on the Project by ENGINEER's employees of the indicated classifications. Per Diem Rates for this Project are listed in Exhibit A. These rates are subject to revision for other projects and annual calendar year adjustments; include all allowances for salary, overheads and fees; but do not include allowances for Direct Expenses, subcontracts and outside services.

### Direct Expenses

Direct Expenses are those necessary costs and charges incurred for the Project including, but not limited to: (1) the direct costs of transportation, meals and lodging, mail, and supplies; (2) ENGINEER's current standard rate charges for reproduction services; and (3) ENGINEER's standard project charges for special health and safety requirements of OSHA.

## Renegotiation of Compensation

The estimate is based on the assumptions listed in this Task Order and timely completion of the Project. If the Project progresses under different conditions than the assumptions listed in this Attachment or if project timing deviates from the assumed schedule for causes beyond ENGINEER's control, ENGINEER reserves the right to request renegotiation of those portions of the fee affected by the time change.

## Invoicing

Amount invoiced each month will be based on time and expenses expended to date. Invoices shall be accompanied by a listing of charges that make up the invoice total, including employee names, billing rates, and hours of project staff, plus direct expenses.

## Schedule

The period of performance for this task order shall be through December 31, 2020. It is agreed that the ENGINEER cannot be responsible for delays occasioned by factors beyond ENGINEER's control, or factors which would not reasonably have been foreseen at the time this Task Order was executed.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment 1 to Task Order 37 to be signed and intend to be legally bound thereby.

**OWNER:**

**ENGINEER:**

**INCLINE VILLAGE GENERAL  
IMPROVEMENT DISTRICT**

**CH2M HILL, INC.**

**Agreed to:**

**Agreed to:**

By:

By:

\_\_\_\_\_  
Indra Winquest  
District General Manager

  
\_\_\_\_\_  
Brett Isbell, P.E.  
Designated Manager

Date: \_\_\_\_\_, 2020

Date: October 23, 2020

*Address for Giving Notice:*

*Address for Giving Notice:*

**INCLINE VILLAGE G.I.D.  
893 Southwood Boulevard  
Incline Village, Nevada 89451**

**CH2M HILL, INC.  
50 West Liberty Street, Suite 205  
Reno NV 89501**

**SHORT FORM AGREEMENT**  
**Between**  
**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT**  
**and**  
**CH2M HILL, INC.**  
**for**  
**PROFESSIONAL SERVICES**

This Agreement is made as of February 12, 2009 between **INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT (IVGID)**, hereinafter referred to as "OWNER," and **CH2M HILL, INC.**, hereinafter referred to as "CONSULTANT." OWNER intends to complete the Project(s) as described in *Attachment A* and as amended from time to time, hereinafter referred to as the "Project."

**1.0 BASIC SERVICES**

The CONSULTANT shall perform the following tasks and additional services as may be included from time to time by Additional Services Addendums (ASAs) to this Agreement in accordance with Paragraph 4.2:

Services as described in Attachment "A," consisting of preliminary design for improvements to pump stations 4-1 and 5A-1.

All documentation, drawings, reports and invoices submitted for this project will include IVGID Project Number 20178.

**1.1 STANDARD CARE**

The standard of care applicable to CONSULTANT's services will be the degree of skill and diligence normally employed by professional engineers or consultants performing the same or similar services at the time said services are performed. CONSULTANT will reperform any services not meeting this standard without additional compensation.

**2.0 OWNER'S RESPONSIBILITIES**

OWNER shall do the following in a timely manner so as not to delay the services of CONSULTANT:

- 2.1** Designate in writing a person to act as OWNER's representative with respect to services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, and interpret and define OWNER's policies and decisions with respect to CONSULTANT's services for the PROJECT.
- 2.2** Assist CONSULTANT by placing at CONSULTANT's disposal existing data, plans, reports and other information known to, in possession of, or under control of OWNER which are relevant to the execution of CONSULTANT's duties on the PROJECT. Also, provide all criteria and full information as to OWNER's requirements for the Project,

including design criteria, objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations.

- 2.3 Provide "Measured Drawings" for project. Provide services of geotechnical engineer where advised by CONSULTANT and approved by OWNER.

### 3.0 PERIODS OF SERVICE

- 3.1 The provisions of Section 3 and the various rates of compensation for CONSULTANT's services provided for elsewhere in this Agreement have been agreed to in anticipation of the orderly and continuous progress of the Project through completion of the Services contained herein. CONSULTANT's obligation to render services hereunder will extend for a period which may reasonably be required for the performance of CONSULTANT's services and required extensions thereto. If specific periods of time for rendering services are set forth or specific dates by which services are to be completed are provided and if such dates are exceeded through no fault of CONSULTANT, all rates, measures, and amounts of compensation provided herein shall be subject to equitable adjustment.

- 3.2 It is agreed that time is of the essence and the Project shall be completed by the date indicated in Attachment "A."

### 4.0 PAYMENT TO CONSULTANT

#### 4.1 Methods of Payment for Services and Expenses of CONSULTANT

##### 4.1.1 Compensation Terms Defined

- 4.1.1.1 "Per Diem" shall mean an hourly rate(s) as indicated in Attachment "A" to be paid to CONSULTANT as total compensation for each hour(s) of each employee of CONSULTANT work(s) on the Project, plus Reimbursable Expenses.

- 4.1.1.2 "Reimbursable Expenses" shall mean the actual expenses incurred directly or indirectly in connection with the Project, including, but not limited to subconsultants or Subcontractor costs, transportation and subsistence incidental thereto, obtaining bids or proposals from Contractor(s), toll telephone calls, express mail and telegrams, reproduction of Reports, Drawings, Specifications, Bidding Documents, and similar Project-related items in addition to those required under Section 1. In addition, Reimbursable Expenses will also include expenses incurred for main frame computer time and other highly specialized equipment, including photographic production. Reimbursable Expenses will include a ten percent (10%) markup over CONSULTANT's cost.

- 4.1.2 Basis and Amount of Compensation for Basic Services. Compensation shall be as indicated in Attachment "A", with a Not to Exceed amount of \$ 100,000.00.

#### 4.2 Basis and Amount of Compensation for Additional Services



4.2.1 Compensation for Additional Services shall be on the basis of Per Diem or Lump Sum, to be agreed upon at the time of request for Additional Services. The estimated amount of Additional Services will be determined at the time the Additional Services are requested.

#### **4.3 Intervals of Payments**

4.3.1 Payments to CONSULTANT for Basic and Additional Services rendered and Reimbursable Expenses incurred shall be made once every month by OWNER. CONSULTANT's invoices will be submitted once every month and will be based upon total services completed at the time of billing. OWNER shall make prompt payments in response to CONSULTANT's invoices.

#### **4.4 Other Provisions Concerning Payments**

4.4.1 If OWNER fails to make any payment due CONSULTANT for services and expenses within 30 days after receipt of CONSULTANT's statement, the amounts due CONSULTANT will be increased at the rate of one percent (1%) per month from date of OWNER's receipt of invoice.

4.4.2 If the Project is suspended or abandoned in whole or in part for more than 90 days, CONSULTANT shall be compensated for all services performed prior to receipt of written notice from the OWNER of such suspension or abandonment, together with Reimbursable Expenses then due.

4.4.3 If any items in any invoices submitted by CONSULTANT are disputed by OWNER for any reason, including the lack of supporting documentation, OWNER may temporarily delete the disputed item and pay the remaining amount of the invoice. OWNER shall promptly notify CONSULTANT of the dispute and request clarification and/or remedial action. After any dispute has been settled, CONSULTANT shall include the disputed item on a subsequent regularly scheduled invoice or on a special invoice.

### **5.0 GENERAL CONSIDERATIONS**

#### **5.1 Termination**

5.1.1 This Agreement may be terminated in writing by either party in the event of substantial failure by the other party to fulfill its obligations under this Agreement through no fault of the terminating party. However, no termination for default may be initiated unless the other party is given a ten (10) calendar day cure period after written notice (delivery by certified mail, return receipt requested) of intent to terminate.

5.1.2 This Agreement may be terminated in writing (delivered by certified mail, return receipt requested) by OWNER for its convenience.

- 5.1.3 Upon any termination, CONSULTANT shall (1) promptly discontinue all Services affected (unless a termination notice from OWNER directs otherwise); and (2) deliver or otherwise make available to OWNER upon full payment for services rendered to the date of termination, all documents, data, drawings, specifications, reports, estimates, summaries, and such other information and materials as may have been accumulated by CONSULTANT in performing this Agreement, whether such materials are completed or in process. All payments due CONSULTANT at termination shall be made by OWNER.

## 5.2 Ownership of Documents

The original documents, plans, electronic files, studies or reports prepared under this Agreement, for which the OWNER pays compensation to the CONSULTANT, except working notes and internal documents, shall become and remain the property of the OWNER, and upon payment of said compensation shall be surrendered to the OWNER upon the completion of the Work under this Agreement or on the completion of specific phases of the Work, if requested by the OWNER. The CONSULTANT may retain copies of said Work in their files, but such Work shall not be released to any other party or reused by the CONSULTANT without the express written consent of the OWNER. Reuse of any of these drawings, specifications or other work products of the CONSULTANT by the OWNER for other than the specific project covered in this Agreement without the written permission of the CONSULTANT shall be at the OWNER's risk; provided that the CONSULTANT shall not be liable for any claims or damages arising out of such unauthorized reuse by the OWNER or by other's actions through the OWNER.

## 5.3 Insurance

- 5.3.1 **Commercial Insurance.** CONSULTANT shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the CONSULTANT, his/her agents, representatives, employees, or subcontractors. CONSULTANT shall purchase General Liability, Auto Liability, Workers' Compensation, and Professional Liability Insurance (if applicable) coverages as required. Property Liability Insurance coverage is not required. The District maintains Course of Construction Liability as part of its overall insurance coverage program. The cost of any required insurance shall be included in the CONSULTANT'S bid.

- 5.3.2 **Workman's Compensation.** It is understood and agreed that there shall be no Industrial Insurance coverage provided for the CONSULTANT or any Subcontractor by the District; and in view of NRS 616.280 and 617.210 requiring that CONSULTANT comply with the provisions of Chapters 616 and 617 of NRS, CONSULTANT shall, before commencing work under the provisions of this Agreement, furnish to the District a certificate of insurance from Employers Insurance Company of Nevada, a certificate of self insurance from the State of Nevada, Division of Insurance, a certificate of insurance from an admitted insurance company in the State of Nevada, or a certificate of insurance from a reciprocate state provided the project is less than two hundred and fifty thousand dollars (\$250,000) certifying that the CONSULTANT and each Subcontractor has complied with the provisions of the State Industrial Insurance Act, by providing coverage for each and every employee. If the CONSULTANT and/or Subcontractor is unlicensed and is a sole proprietor, coverage for the sole proprietor must be purchased and

evidence of coverage must appear on the Certificate of Insurance and Final Certificate. It is further understood and agreed by and between the District and CONSULTANT that CONSULTANT shall procure, pay for, and maintain the industrial insurance coverage at the CONSULTANT 'S sole cost and expense.

**5.3.3 Certificates of Coverage.** Certificates of coverage for all insurance required shall be provided to the OWNER within ten (10) days of the award of this contract. The general liability certificate shall name "Incline Village General Improvement District, its officers and employees" as additional insured. All certificates shall provide for a minimum written notice of thirty (30) days to be provided to OWNER in the event of material change, termination or non-renewal by either CONSULTANT or carrier. Certificates shall be forwarded to OWNER.

**5.3.4 Professional Liability Insurance.** CONSULTANT shall maintain professional liability insurance for protection against claims arising out of performance of services under this Agreement caused by negligent acts, errors, or omissions for which ENGINEER is legally liable for a period of three (3) years thereafter, if available and reasonably affordable. The professional liability policy shall provide a minimum coverage of Five Hundred Thousand Dollars (\$500,000). The cost of such insurance shall be borne by the CONSULTANT. CONSULTANT shall maintain the existing retroactive date on all future policies with the same insurance company and attempt to do so if CONSULTANT changes insurance companies. In the event that CONSULTANT goes out of business during the instant period, CONSULTANT shall purchase, at the request of OWNER, an extended reporting period, if available, at the OWNER's expense.

1.1.1. Should CONSULTANT's normal professional liability coverage be less than the minimum required amount, CONSULTANT may purchase project insurance or obtain a rider on his normal policy in an amount sufficient to bring CONSULTANT's coverage up to minimum requirements, said additional coverage to be obtained at no cost to the OWNER.

#### **5.4 Limitation of Liability/Waiver of Consequential Damages**

**5.4.1** To the maximum extent permitted by law, CONSULTANT's liability for OWNER's damages will not, in the aggregate, exceed \$1,000,000. This article takes precedence over any conflicting article of this AGREEMENT or any document incorporated into it or referenced by it. This limitation of liability will apply whether CONSULTANT's liability arises under breach of contract or warranty; tort; including negligence; strict liability; statutory liability; or any other cause of action, and shall include CONSULTANT's officers, affiliated corporations, employees, and subcontractors. In no event shall either Party to this Agreement, or their affiliated corporations, officers, employees, or any of their subcontractors, be liable to the other for any incidental, indirect, special, punitive, economic or consequential damages, including but not limited to loss of revenue or profits, suffered or incurred by a Party or any of its agents, including other contractors engaged at the project site, as a result of this Agreement or a Party's performance or non-performance of services pursuant to this Agreement. Limitations of liability provided in this paragraph apply whether the liability is claimed to arise in contract, tort (including negligence), strict liability, or otherwise.

#### **5.5 Subsurface Investigations**

5.5.1 In soils, foundation, groundwater, and other subsurface investigations, the actual characteristics may vary significantly between successive test points and sample intervals and at locations other than where observations, exploration, and investigations have been made. Because of the inherent uncertainties in subsurface evaluations, changed or unanticipated underground conditions may occur that could affect total PROJECT cost and/or execution. These conditions and cost/execution effects are not the responsibility of CONSULTANT.

## **5.6 Opinions of Cost, Financial Considerations and Schedules**

5.6.1 In providing opinions of cost, financial analyses, economic feasibility projections, and schedules for the PROJECT, CONSULTANT has no control over cost or price of labor and materials; unknown or latent conditions of existing equipment or structures that may affect operation or maintenance costs; competitive bidding procedures and market conditions; time or quality of performance by operating personnel or third parties; and other economic and operational factors that may materially affect the ultimate PROJECT cost or schedule. Therefore, CONSULTANT makes no warranty that OWNER's actual PROJECT costs, financial aspects, economic feasibility, or schedules will not vary from CONSULTANT's opinions, analyses, projections, or estimates.

## **5.7 Controlling Law**

5.7.1 This Agreement is to be governed by and construed in accordance with the Laws of the State of Nevada.

## **5.8 Successors and Assigns**

5.8.1 The parties hereby bind their respective partners, successors, executors, administrators, legal representatives, and, to the extent permitted by Paragraph 5.8.2, their assigns, to the terms, conditions, and covenants of this Agreement.

5.8.2 Neither OWNER nor CONSULTANT shall assign, sublet, or transfer any rights under or interest in this Agreement (including, but without limitation, monies that may become due or monies that are due) without the written consent of the other, except to the extent that any assignment, subletting or transfer is mandated by law or the effect of this limitation may be restricted by law.

Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent CONSULTANT from employing such independent professional associates, subcontractors, and consultants as CONSULTANT may deem appropriate to assist in the performance of Services.

5.8.3 Except as may be expressly stated otherwise in this Agreement, nothing under this Agreement shall be construed to give any rights or benefits in this Agreement to anyone other than OWNER and CONSULTANT, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole and exclusive benefit of OWNER and CONSULTANT and not for the benefit of any other party.

## **5.9 Arbitration**

**5.9.1** All claims, disputes, and other matters in question between the parties to this Agreement, arising out of or relating to this Agreement or the breach thereof, shall be decided by arbitration, in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association (AAA). Any such arbitration process shall include the right by either party to subpoena witnesses for any hearing, as well as to utilize the discovery process pursuant to NRCP 26, *et seq.*, as now in force or as may be hereafter amended. In addition, either party shall be entitled to use any procedure and remedy available under the applicable rules of the AAA. No arbitration, arising out of or relating to this Agreement, shall include, by consolidation, joinder, or in any other manner, any additional person not a party to this Agreement except by written consent containing a specific reference to this Agreement and signed by CONSULTANT, the OWNER, and any other person sought to be joined. Any consent to arbitration involving an additional person or persons shall not constitute consent to arbitration of any dispute not described therein or with any person not named or described therein. This Agreement to arbitrate and any agreement to arbitrate with an additional person or persons duly consented to by the parties to this Agreement shall be specifically enforceable under the prevailing Nevada law in the Second Judicial District Court of the State of Nevada in and for the County of Washoe.

**5.9.2** Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement and with the American Arbitration Association (AAA). The demand shall be made within a reasonable time after the claim, dispute, or other matter in question has arisen. In no event shall the demand for arbitration be made when institution of legal or equitable proceedings based on such claim, dispute, or other matter in question would be barred by the applicable statute of limitations.

**5.9.3** The award rendered by the arbitrators shall be final, judgment may be entered upon it in the Second Judicial District Court of the State of Nevada in and for the County of Washoe, and will not be subject to modification or appeal except to the extent permitted by Sections 10 and 11 of the Federal Arbitration Act (9 U.S.C. section 10.11). The prevailing party under the dispute shall be entitled to reasonable attorney's fees together with other reasonable costs.

**5.9.4** Arbitration shall occur in Incline Village, Washoe County, Nevada, unless an alternate location is mutually agreed upon by OWNER and CONSULTANT. Arbitration shall be conducted through the American Arbitration Association (AAA) and be governed by AAA's commercial arbitration rules. In any such arbitration the parties may plead any legal and equitable claims they deem appropriate and the arbitrator shall be authorized to grant any such relief. Further, discovery may be conducted by the parties, consistent with Rule 30, *et seq.*, of the Nevada Rules of Civil Procedure.

#### **5.10 Equal Employment and Non-discrimination**

In connection with the Services under this Agreement, CONSULTANT agrees to comply with the applicable provisions of State and Federal Equal Opportunity statutes and regulations.

#### **5.11 Indemnification**



Indemnification of OWNER by CONSULTANT: CONSULTANT agrees to defend, indemnify and hold OWNER and each of its officers, employees, agents and representatives from any claims, damage, liability or costs (including reasonable attorneys' fees and costs of defense) stemming from this project to the extent such claims, damage, liability or costs are caused by CONSULTANT's negligent acts, errors or omissions or by the negligent acts, errors or omissions of CONSULTANT's subconsultants, agents, or anyone acting on behalf of or at the direction of CONSULTANT.

CONSULTANT's obligation to hold harmless, indemnify and defend OWNER shall include reimbursement to OWNER of the loss of personnel productivity, incurred as a result of that defense. Reimbursement for the time spent by OWNER's personnel shall be charged to CONSULTANT at the then-current rate charged for such services by the private sector.

Indemnification of CONSULTANT by OWNER: OWNER agrees to defend, indemnify and hold CONSULTANT and each of its officers, employees, agents and representatives harmless from any claims, damage, liability or costs (including reasonable attorneys' fees and costs of defense) stemming from this project to the extent such claims, damage, liability or costs are caused by OWNER's acts, errors, or omissions or by the negligent acts, errors, or omissions of the OWNER's subconsultants, agents or anyone acting on behalf of, or at the direction of, the OWNER.

OWNER's obligation to hold harmless, indemnify and defend CONSULTANT shall include reimbursement to CONSULTANT of the loss of personnel productivity, incurred as a result of that defense. Reimbursement for the time spent by CONSULTANT's personnel shall be charged to OWNER at the then-current rate charged for such services by the private sector.

Notwithstanding anything contained herein to the contrary, Nevada's comparative negligence doctrine shall apply to both OWNER and CONSULTANT. In addition, nothing herein shall prevent OWNER or CONSULTANT from relying upon any Nevada statute or case law that protects OWNER or CONSULTANT with respect to liability or damages. This Provision shall survive the termination, cancellation or expiration of the Agreement.

#### **5.12 Changes and Modifications**

The parties agree that no change or modification to this Agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to writing, dated, and made a part of this Agreement. The execution of the change shall be authorized and signed in the same manner as this Agreement.

#### **5.13 Licenses**

CONSULTANT shall have a Washoe County business license, and all appropriate Contractor's licenses and certifications for the services to be performed.

#### **5.14 Severability**

In the event any provision of this Agreement shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties.

**5.15 Waiver**

One or more waivers by either party of any provision, term, condition, or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by the other party.

**5.16 Extent of Agreement**


This Agreement, including all Exhibits, and any and all amendments, modifications, and supplements duly executed by the parties in accordance with this Agreement, govern and supersede any and all inconsistent or contradictory terms, prior oral or written representations or understandings, conditions, or provisions set forth in any purchase orders, requisition, request for proposal, authorization of services, notice to proceed, or other form or document issued by OWNER with respect to the Project or CONSULTANT's services.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and date of the year first set forth above.

**INCLINE VILLAGE G. I. D.**

CONSULTANT: CH2M HILL, INC.

**The undersigned has read, reviewed and approves this document**

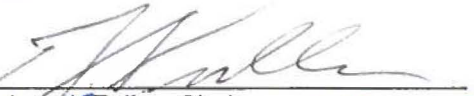
By:   
Joseph J. Pomroy, P.E.  
Director of Public Works


By:   
David R. Roundtree, P.E.  
Vice President

By:   
T. Scott Brooke  
General Counsel

Attest:   
Ronald C. Crumm  
Contracts Manager

**Agreed to:**

By:   
Theodore J. Fuller, Chairman

By:   
Chuck Weinberger, Secretary

Address for Giving Notice:

**INCLINE VILLAGE G. I. D.**  
893 Southwood Boulevard  
Incline Village, Nevada 89451

Address for Giving Notice:

**50 West Liberty Street, Suite 205**  
**Reno NV 89501**

License No. 036166 B 0805293

Federal Tax ID No. 59-0918189

Agent for service of process:

(If CONSULTANT is a Corporation, attach evidence of authority to sign.)



CH2MHILL

SECRETARY CERTIFICATE

I, Paula W. Chase, Assistant Corporate Secretary of CH2M HILL, Inc., hereby certify that the following is a resolution adopted by the Board of Directors by Unanimous Written Consent on July 7, 2008. I further certify that said resolution is in full force and effect as of January 29, 2009:

BE IT RESOLVED that the authority to execute, on behalf of this corporation, or any of its affiliates or subsidiaries, agreements pertaining to performing services for clients is hereby granted by this Board of Directors to all designated officers of the corporation.

BE IT FURTHER RESOLVED that the President or Chief Financial Officer may, from time to time, authorize individual employees of the corporation, or any of its affiliates or subsidiaries, to execute agreements pertaining to performing services for clients. Provided, however, that such authorization is in writing authorizing the individual by name and title to execute agreements.

BE IT FURTHER RESOLVED that the authority to execute, on behalf of this corporation, or any of its affiliates or subsidiaries, agreements other than those pertaining to performing services for clients is hereby granted by this Board of Directors to all designated officers of the corporation.

BE IT FURTHER RESOLVED that the President or Chief Financial Officer may, from time to time, authorize individual employees of the corporation, or any of its affiliates or subsidiaries, to execute agreements other than those pertaining to performing services for clients. Provided, however, that such authorization is in writing authorizing the individual by name to execute agreements.

I further certify that David Roundtree is Business Vice President and Area Office Manager of CH2M HILL, Inc., and has been granted authority in accordance with the above resolution and may sign documents on behalf of the firm in an amount up to \$5,000,000.

Dated this 29th day of January, 2009.

*Paula W Chase*

Paula W. Chase, Assistant Secretary

State of Colorado  
County of Douglas

Subscribed and sworn to before me by Paula W. Chase, known to me to be the Assistant Secretary of CH2M HILL, Inc., this 29th day of January, 2009.

*Twyla D. Major*  
Notary Public  
My commission expires: 7/17/2011



# Attachment A

## Incline Village General Improvement District Water Pump Stations 4-1 and 5A-1 Replacement Project Preliminary Engineering Phase Services

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This AGREEMENT FOR PROFESSIONAL SERVICES is between Incline Village General Improvement District (IVGID or OWNER) and CH2M HILL, Inc. (CONSULTANT). The work covered under this AGREEMENT includes the preliminary engineering associated with two substantially new Water Pump Station facilities that replace existing Water Pump Stations (WPS) 4-1 and 5A-1. The project envisioned includes the demolition of all or substantial portions of the existing pump stations and design of two new pump station buildings. The official name for this project will be the Water Pump Stations 4-1 and 5A-1 Replacement Project (hereinafter referred to as the "Project").

The scope of engineering services for the preliminary engineering phase of the Project includes engineering analysis, calculations, equipment selection, equipment layout, building design concepts, workshops, and preparation of summary technical memorandum. Final design activities, which will be authorized in a subsequent Agreement or as an Amendment to this AGREEMENT, involve preparation of documents that will be used to bid and construct the following assumed components of the Project:

- Demolition of existing WPS 4-1. Radio telemetry equipment to be salvaged for reinstallation, if possible.
- New WPS 4-1 located near the existing pump station. WPS 4-1 is envisioned to be a CMU building with a metal roof housing two 1,000 gpm vertical turbine pumps, piping, valves, electrical equipment, reinstalled telemetry components, electric space heater and building ventilation equipment.
- Demolition of existing WPS 5A-1; foundation to remain and be reused, if possible. Radio telemetry equipment to be salvaged for reinstallation, if possible.
- New WPS 5A-1 constructed on top of the existing foundation. WPS 5A-1 is envisioned to be a CMU building with a metal roof housing two 1,500 gpm and one 300 gpm vertical turbine pumps, piping, valves, zinc orthophosphate storage and feed system, electrical equipment, reinstalled telemetry components, natural gas space heater and building ventilation equipment.
- Temporary 300 gpm pump station near WPS 5A-1, to serve residential customers during demolition and reconstruction of the WPS 5A-1 facility.

### Assumptions

The following assumptions were made to develop the scope of engineering services and estimated fee for this Project:

- The architectural and structural design of both stations will be very similar and include the same materials and building systems; CMU walls and sloped metal roof with same/similar features and color schemes.



- Existing telemetry equipment will be salvaged for reinstallation in the new pump stations, if possible. Otherwise new telemetry equipment will be specified during final design.
- Hazardous waste assessment of each existing pump station (inspection for presence of asbestos and lead paint) and any required remediation will be performed in a timely manner by others under direct contract with OWNER.
- All required field surveying and digital mapping work will be performed by others under direct contract with OWNER.
- All required geotechnical investigations, soils testing, data collection, and reporting will be performed by others under direct contract with OWNER.
- No landscaping will be required at either water pump station site. Areas disturbed by construction activities will be paved or re-vegetated with grass seed.
- Fire sprinklers and fire alarm system will not be required for either pump station.
- Personnel occupancy features such as restrooms and storage space are not required at either pump station.
- The portion of the building at WSP 5A-1 containing old snow making equipment will not be demolished, and reconstructed as part of this Project.
- It is unknown at this time if hydraulic surge analyses will be required; this scope of work does not include a detailed surge analysis for either pump station.

## Scope of Engineering Services

The engineering services to be provided under this AGREEMENT consist of project management and preliminary engineering services for the Project. The scope of work and budget for the engineering services associated with final design, pre-purchase document preparation, permitting assistance, Bid phase services, construction phase services, and commissioning of the Project will be prepared towards the end of the preliminary engineering phase and be authorized by OWNER as an Amendment to this AGREEMENT. This section describes in detail the tasks and subtasks that will be performed to assist OWNER with the project management, technical analyses, quality control, and cost estimating services associated with the preliminary engineering phase of the Project.

### Task 1 – Project Setup and Project Management

The purpose of this task is to provide for the initiation and overall management of Project activities. An overall schedule and work plan will be implemented to assure work activities are completed in a properly integrated and timely manner. In addition, this task includes those elements necessary to properly manage, lead, and control the Project.

#### Subtask 1.1—Project Initiation

- Project Instructions— Develop and maintain a set of procedures in the form of project instructions to facilitate management of the Project. The project instructions will include project background, authorized AGREEMENT, communication protocol and client organization, project team organization, time and expense charging instructions, schedule, records management procedures, change management procedures, safety, project closeout, and other reference information.

- Schedule— Prepare and provide periodic updates to the Project Schedule (in a bulleted Milestone list format) showing preliminary dates for deliverables and anticipated dates for workshops, QC reviews, meetings, and submittals.
- CAD/CAE Standards— Define CAD/CAE software standards, graphic standards, file naming conventions and standards, revision/iteration control, and other graphic standards. Comply with OWNER CAD deliverables standards.
- Change Management Plan— Prepare a change management plan that addresses the schedule and budget impacts of additional efforts required to complete the deliverables for the preliminary engineering phase work on this Project. When necessary, this plan will be implemented to review with OWNER proposed additional work associated with engineering scope modifications, with authorization to proceed with the modifications after agreement by both parties as to the schedule and budget impacts.

### **Deliverables**

- Project Instructions
- Milestone Schedule Updates
- CAD/CAE Standards

### **Subtask 1.2—Project Management**

- Status Reporting— Monitor budget, progress, and schedule. Monitor work efforts and evaluate actual versus planned progress. Supervise the Project team and identify actions needed to maintain the Project schedule. Changes in scope will be communicated to OWNER and will be in accordance with the change management plan. Provide verbal progress reports to OWNER's project manager, as necessary. Meet with OWNER's project manager in Incline Village, in conjunction with scheduled workshops and review meetings.
- Administration— Maintain Project records, manage and process Project communications, coordinate Project administrative matters, and prepare monthly invoice.
- Coordination— Coordinate tasks/subtasks with OWNER and project staff, to complete authorized work on schedule and within budget.
- Staff Management— Supervise and control activities of staff assigned to the Project. Coordinate and schedule appropriate staffing to meet Project requirements.
- Workshop and Meeting Preparation— Make arrangements for and coordinate the scheduled Project workshops and Project team meetings. Prepare and distribute agenda and meeting summary notes for each workshop.

### **Workshop**

- Project Kickoff Workshop— Conduct a Project kickoff workshop prior to commencement of preliminary engineering activities. Included in the kickoff meeting will be key Project team members of CONSULTANT and OWNER. Present and discuss the proposed Project and the scope of work items that need to be included to define the Project to be designed and constructed. The preliminary engineering scope of work shall be as approved by OWNER, as defined herein. Preferences for Project design elements and other information will be solicited. It is anticipated that a maximum of one 3-hour workshop, held in Incline Village, will be required for this subtask.

- Existing Conditions Investigation –CONSULTANT will conduct an investigation of existing systems and equipment at WPS 4-1 and WPS 5A-1 to document pertinent facilities, proposed interconnections, and reused/salvaged components. The purpose of these investigations will be to verify and document the sizes and locations of equipment, piping, utilities, telemetry system components, and other components that are or may be associated with the Project. This work will be performed on the same day as the Project kickoff workshop.

**Deliverables**

- Workshop Agenda
- Workshop Meeting Summary Notes
- Monthly Invoices

**Subtask 1.3—Quality Control Review, Coordination, and Response**

Implement and carry out an effective quality assurance/quality control (QA/QC) program. Coordinate the participation of senior reviewers at appropriate points in the Project. CONSULTANT will perform internal QA/QC review activities with the senior review team during the progress of the Project. Formal internal QC review and subsequent fix up of draft deliverables will be performed prior to sending deliverables to OWNER for review. Typically, task deliverables will be sent to OWNER for review a few days in advance of the next workshop, where the deliverables will be discussed in detail with OWNER.

**Subtask 1.4—Construction Cost Estimates**

CONSULTANT will furnish construction cost estimating services where indicated below. Estimates will be prepared to the level of accuracy based on the information available, within normal industry standards. Estimates will be formatted in accordance with the Project design Construction Specifications Institute (CSI) specification format and segregated by facility. Where sufficient detailed information is lacking to obtain reasonably accurate quantities of materials, judgmental allowances will be used to provide an opinion of the estimated construction costs.

**Task 2 – Preliminary Engineering**

CONSULTANT will review information provided on existing facilities and Project related information previously developed by others. The following tasks will be performed during this phase of the Project:

- CONSULTANT will perform a hydraulic analysis of both the WPS 4-1 and WPS 5A-1 pumping systems to determine the quantity, size, and type of pumps required to meet basic pump station capacity design criteria established by OWNER. Hydraulic analysis will include portions of OWNER’S existing water transmission and storage system, including reservoirs R 4-1, R 2-2, R 5A-1A & B, WPS 4-1, WPS 5A-1, and interconnecting water transmission mains. Results of the hydraulic analysis, recommended pump station design capacities, pump quantities, individual pump capacities, and pump types will be documented in a brief Design Criteria Summary Technical Memorandum (TM).

- CONSULTANT will determine and document design criteria associated with the required zinc orthophosphate chemical system at WPS 5A-1, including delivered chemical concentration, dosage range, feed pump type and capacity, and storage tank volume and materials of construction.
- CONSULTANT will make initial pump selections and prepare a preliminary floor plan drawing depicting major equipment layout and footprint size for each building.
- CONSULTANT will communicate with SPPCo to determine if the existing utility transformers at WPS 5A-1 can be reused, relocated, or must be replaced. The preliminary power and load requirements at each WPS will be developed and communicated to OWNER and SPPCo. Preliminary one line diagrams will be prepared so that electrical equipment can be sized and included in the preliminary building floor plan layouts.
- CONSULTANT will evaluate the condition and capacity of existing telemetry system components at each pump station, to determine if components should be salvaged and reinstalled in the new pump station buildings.
- CONSULTANT will perform a code analysis, and develop and document architectural design concepts for the buildings.
- CONSULTANT will review the TRPA design guidelines document and prepare preliminary building floor plans, building elevations, and supporting technical documentation to supplement OWNER's permit application to TRPA for the new pump station facilities.
- CONSULTANT will determine and document applicable structural engineering design criteria and applicable codes for the pump station buildings.
- CONSULTANT will develop and document HVAC design criteria for each building, and determine the preliminary size of ventilation and heating system components.
- CONSULTANT will prepare a conceptual level site plan drawing for each site using existing site drawings provided by OWNER. A scaled, plan view of each replacement pump station facility will be shown in its proposed location and orientation on the applicable drawing.
- CONSULTANT will determine survey, survey control, and mapping requirements for each site and send request to OWNER to obtain required information prior to commencement of final design activities.
- CONSULTANT will determine desired geotechnical investigation and data needs, and send request to OWNER to obtain required information prior to commencement of final design activities.
- CONSULTANT will contact Contractor(s) specializing in the field application of cement mortar linings to determine the feasibility and general approach to field apply a cement mortar lining to approximately 2,000 feet of unlined 14-inch welded steel pipe. If feasible, CONSULTANT will provide OWNER with a draft version of a technical specification section outlining the requirements to apply the cement mortar lining, which will supplement drawings and other information prepared by OWNER. Cement mortar lining and associated work will be designed, bid, and constructed by OWNER as a separate project.
- CONSULTANT will prepare a Class 4 budget level construction cost estimate for the Project.

## Workshop

- Design Criteria Review Workshop: CONSULTANT will conduct a review workshop with OWNER staff to present and discuss the Draft Design Criteria Summary TM covering the major elements of the Project. CONSULTANT will receive OWNER's consolidated review comments on the Draft TM at the workshop and will discuss outstanding issues. Major action items and decisions will be documented in minutes that will be distributed to OWNER and CONSULTANT's design teams. It is anticipated that a maximum of one 4-hour workshop, held at OWNER's office in Incline Village, will be required for this subtask.

## Deliverables

- Design Criteria Summary Technical Memorandum; draft and final .pdf files submitted to OWNER electronically
- CONSULTANT will furnish OWNER with the summary of a Class 4 construction cost estimate prepared for the Project
- Workshop Minutes

## IVGID Responsibilities

The services described below are assumed to be provided by OWNER in a timely manner:

- Send CONSULTANT electronic files of all applicable drawings for existing facilities related to the Project; .pdf files or when available, AutoCAD files.
- Provide CONSULTANT with information needed to perform hydraulic analyses, including pump and reservoir interconnecting pipe sizes, lengths, and materials of construction, reservoir low and high water elevations, finished floor elevations in the existing pump stations, etc. All information provided shall be referenced to the same datum. This scope of work does not include field investigations to collect and verify distribution system locations, sizes, and elevations; and does not include recommendations for improvements to components other than WPS 4-1 and 5A-1.
- Send CONSULTANT information on OWNER's telemetry system, including components presently installed in WPS 4-1 and 5A-1.
- Near the end of the preliminary engineering phase of the Project, secure services of a survey firm to survey and provide mapping files (survey data point list, electronic and hard copies of site topographic mapping developed in AutoCAD or MicroStation at scale of 1"=20' with 1-foot contours, and electronic InRoads Digital Terrain Model (DTM) surface) and location/description of survey control points near the two Project sites.
- Near the end of the preliminary engineering phase of the Project, secure services of a geotechnical firm to perform geotechnical investigations, collect and conduct laboratory analysis on soil samples, and prepare a geotechnical data report.
- Provide timely input to and provide a consolidated set of review comments on all draft Project deliverables.
- Prepare application, submit review documents, and coordinate all communications with TRPA for review and approval of the Project.
- Prepare/file applications and pay fees for all permits and licenses required by local, state, and federal authorities.



## Additional Services

The services described below are not included in this AGREEMENT, but can be performed if requested and approved by OWNER and CONSULTANT. Time, scope, and fee have not been budgeted for the tasks listed hereunder. Authorization to proceed shall be in the form of an amendment to this AGREEMENT or a separate AGREEMENT specifying the work to be performed and the additional payment for such services rendered. The amendment or AGREEMENT, after execution by both parties, shall become a supplement to and a part of the AGREEMENT FOR PROFESSIONAL SERVICES.

- Preliminary and final site and yard piping drawings for each pump station site (based on site survey and mapping information)
- Noise control investigations
- Pre-prepared formal presentations to outside agencies
- Value engineering services
- Environmental services and permits
- Final design, permitting, and bid phase services
- Preparation, coordination, and packaging of Division 0 specifications and materials
- Pre-qualification of potential bidders, subcontractors, and vendors
- Preparation of additive, deductive, or alternate design and construction scope
- Distribution of equipment pre-purchase, Bid, and Conformed Documents
- Office services during construction, construction management, and inspection services
- RTU logic programming and HMI operator workstation screen building (assumed to be performed during construction by others)
- Record drawing production
- Startup and training services
- Additional workshops or field visits besides those listed above

## Compensation

Compensation by OWNER to CONSULTANT will be as follows:

### Cost Reimbursable Per Diem (Time and Expense)

For services enumerated in this Task Order, at the Per Diem Rates referenced below, plus Direct Expenses, plus a service charge of 10 percent of Direct Expenses and 10 percent of subcontracts and outside services, plus applicable sales, use, value added, business transfer, gross receipts, or other similar taxes.

### Budget

A budgetary amount of \$100,000, excluding taxes, is hereby established for services in this Agreement. CONSULTANT will make reasonable efforts to complete the work within the budget and will keep OWNER informed of progress toward that end so that the budget or work effort can be adjusted if found necessary. CONSULTANT will give prompt notice to OWNER whenever CONSULTANT observes or becomes aware of any significant development that affects the scope or timing of CONSULTANT's services. CONSULTANT will notify OWNER in writing when incurred costs equal 85 percent of the budgeted amount.

CONSULTANT is not obligated to incur costs beyond the indicated budgets, as may be adjusted, and OWNER is not obligated to pay CONSULTANT beyond these limits.

When any budget has been increased, CONSULTANT's excess costs expended prior to such increase will be allowable to the same extent as if such costs had been incurred after the approved increase.

### **Per Diem Rates**

Per Diem Rates are those hourly rates charged for work performed on the Project by CONSULTANT's employees of the indicated classifications. Per Diem Rates for this Project are listed in Attachment B. These rates are subject to revision for other projects and annual calendar year adjustments; include all allowances for salary, overheads and fees; but do not include allowances for Direct Expenses, subcontracts and outside services.

### **Direct Expenses**

Direct Expenses are those necessary costs and charges incurred for the Project including, but not limited to: (1) the direct costs of transportation, meals and lodging, mail, special OWNER approved Project specific insurance, letters of credit, bonds, and equipment and supplies; (2) CONSULTANT's current standard rate charges for direct use of CONSULTANT's vehicles, laboratory tests and analyses, printing and reproduction services, and certain field equipment; and (3) CONSULTANT's standard project charges for computing systems, special health and safety requirements of OSHA, and telecommunications services.

### **Renegotiation of Compensation**

The estimate is based on the assumptions listed in this Attachment and timely completion of the Project. If the Project progresses under different conditions than the assumptions listed in this Attachment or if Project timing deviates from the assumed schedule for causes beyond CONSULTANT's control, CONSULTANT reserves the right to request renegotiation of those portions of the fee affected by the time change.

### **Invoicing**

Amount invoiced each month will be based on time and expenses expended to date. Invoices shall be accompanied by a listing of charges that make up the invoice total, including employee names, billing rates, and hours of Project staff, plus direct expenses.

### **Schedule**

The scope of engineering services and activities associated with this scope of engineering services will be completed in accordance with the following approximate schedule assuming the Professional Services Agreement authorizing the above described work is signed and delivered to CONSULTANT no later than February 15, 2009:

- Submit Draft version of the Design Criteria Summary TM to OWNER for review – June 5, 2009

All work associated with this Agreement will be completed no later than June 30, 2009. Scope of engineering services covered by this Agreement shall be considered complete on the day the final version of the Design Criteria Summary TM is sent to the OWNER. Efforts will be made by the CONSULTANT to complete the work in a timely manner. However, it is agreed that the CONSULTANT cannot be responsible for delays occasioned by factors beyond CONSULTANT's control, or factors which would not reasonably have been foreseen at the time this Agreement was executed.

**Attachment B**  
**IVGID WPS 4-1 & 5A-1 Replacement Project**  
**CH2M HILL**  
**Per Diem Rate Schedule**  
**Professionals and Technicians\***  
**Hourly Billing Rates**

<u>Classification</u>	<u>Rate</u>
Principal Project Manager	\$218
Sr. Technologist/Sr. Project Manager	\$198
Engineer Specialist*/Project Manager	\$183
Project Engineer*	\$155
Associate Engineer*	\$130
Staff Engineer 2*	\$110
Staff Engineer 1*	\$98
Engineering/Environmental Tech 5	\$128
Engineering/Environmental Tech 4	\$110
Engineering/Environmental Tech 3	\$98
Engineering/Environmental Tech 2	\$82
Engineering/Environmental Tech 1	\$77
Office/Clerical/Accounting	\$70

Notes:

1. A markup of 10% will be applied to all Other Direct Costs and Expenses.
2. A Health & Safety charge of \$1.75 will be applied to all labor hours of employees who are currently enrolled in the CH2M HILL Comprehensive Health & Safety Program.
3. An additional premium of 25% will be added to the above rates for Expert Witness and Testimony Services.
4. These rates are effective January 1, 2009, through June 30, 2009.
5. Rate Schedule subject to annual revision to reflect current rates.

\* includes engineering, consulting, planner, and scientist disciplines

## MINUTES

### REGULAR MEETING OF FEBRUARY 11, 2009 Incline Village General Improvement District

#### EXCERPT

#### J. CONSENT CALENDAR

- J.1. Award of construction contract for Burnt Cedar restrooms - 2008/2009 Capital Improvement Project: Fund: Beach; Program: Beach; Data Sheet #3; Vendor: The Public Restroom Company *(moved to General Business Item K.0.)*
- J.2. Design Services Contract Award for the Water Pump Station 4-1 and 5A-1 Improvements Project (B. Johnson) - 2008/2009 Capital Improvement Project: Fund: Utility; Program: Water; Data Sheet #7; Vendor: CH2M Hill, Inc.

Trustee Weinberger made a motion to approve the Consent Calendar as amended. Trustee Bohn seconded the motion. Chairman Fuller asked for public comments, receiving none, brought the question back to the Board where the question was called and the motion was passed unanimously.

## MEMORANDUM

**TO:** Board of Trustees

**THROUGH:** William B. Horn  
General Manager

**THROUGH:** Joe Pomroy, P.E.  
Director of Public Works

**FROM:** Bradley Johnson  
Engineering Manager

**SUBJECT:** Award an Engineering Design Services Contract for the final design of the Water Pump Stations 4-1 and 5A-1 Improvements Project, 2009/2010 Capital Improvement Project: Fund: Utility; Program: Water; Data Sheet #5; Vendor: CH2M HILL, Inc.

**DATE:** July 17, 2009

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### **I. RECOMMENDATION**

Authorize Staff to enter into an Additional Services Addendum with CH2M HILL, Inc totaling \$330,286.48 for final engineering design, permitting assistance, and bid period assistance associated with the Water Pump Stations (WPS) 4-1 and 5A-1 Improvements Project.

### **II. BACKGROUND**

WPS 4-1 and 5A-1, which supply water to Tyrolian Village and Diamond Peak, were constructed in the 1960s and, at over 40-years old, are at the end of their service lives and at the point where station replacement is required. This project will accomplish a number of objectives including: providing safe, potable, and reliable drinking water to our customers; increasing the pumping capacity to meet



snowmaking demands; and increasing the available fire flows to the urban-wildland interface in the areas surrounding water tanks R5A-1 A & B. WPS 4-1 is located above the intersection of Ski Way and Fairview and WPS 5A-1 is located at the top of Ski Way near the entrance to Tyrolian Village.

As part of the proposed final design, WPS 4-1 and WPS 5A-1 will be eliminated and replaced with a single larger pump station located near the existing footprint of WPS 4-1. The proposed new pump station will be a single story split-faced masonry building with a metal roof. It will contain a total of four pumps and will pull water from the District's water distribution system. The design improves reliability and redundancy over the current pumping configuration in addition to meeting peak operating flows of 300-gpm during the summer and 3000-gpm in the winter. Eliminating two pump stations in favor of a single larger pump station allows the District to save on capital costs as well as provides for greater efficiency in pumping operations and maintenance. WPS 4-1 will be demolished entirely and WPS 5A-1 will be abandoned in place with interior demolition of existing piping, mechanical, chemical injection, and other related equipment to allow the building to be converted for future uses.

Construction of this project, which is preliminarily estimated to cost approximately \$2,000,000, will occur during the 2010 construction season. It is anticipated the pumps for the new pump station will be procured by the District in advance of the construction contract to allow the District to save on sales tax as well as to accommodate a long lead time. Upon completion of final design, Board memos for award of procurement and construction contracting will be presented to the Board of Trustees at future meetings.

### **III. BID RESULTS**

This item is not subject to competitive bidding within the meaning of Nevada Revised Statute (NRS) 332.115 as described in subsection (b) Professional Services.

Additionally, per NRS 625.530, selection of a professional engineer to perform work on public works projects (where the complete project costs exceed \$35,000) is to be made solely on the basis of the competence and qualifications of the engineer and not on the basis of competitive fees.

#### **IV. FINANCIAL IMPACT AND BUDGET**

A total of \$950,000 is included in the 2009/2010 CIP for this project. As this project enhances fire flows to the urban-wildland interface it is eligible for grant funding from the United States Forest Service via the Tahoe Restoration Act. A total of \$276,325 in 50% matching funds for 2009/2010 has been allocated to this project to support the final design process as well as equipment pre-procurement. The proposed final design budget is presented below.

#### **Project Budget**

<b>Description</b>	<b>Amount</b>
Final Engineering Design	\$330,286
Geotechnical Investigation	\$15,000
Surveying	\$10,000
Hazardous Materials Investigation	\$5,000
Staff Time	\$35,000
<b>Project Total</b>	<b>\$395,286</b>

The total project cost is estimated at \$2.4 million through CIP year 2010/2011. An updated engineer's estimate for construction cost will be provided upon completion of the final design phase and in time for the 2010/2011 budget process.

#### **V. ALTERNATIVES**

Not award the contract for final engineering design services to CH2M HILL and not proceed with the WPS 4-1 and 5A-1 Improvements

Project. However, doing so puts off replacement of aging infrastructure into the future and prevents Diamond Peak from gaining full utilization of their snow making system improvements. It also means forgoing \$276,325 in grant funding allocated to this project in 2009/2010.

**VI. COMMENTS**

None.

**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.

