

**MEMORANDUM**

**TO:** Board of Trustees

**THROUGH:** Brad Underwood, Director of Public Works

**FROM:** Jim Youngblood, Utilities Superintendent

**SUBJECT:** Review, discuss and possibly approve the Purchase Order Agreement with Utility Services Assoc. for the Leak Detection Survey. (Requesting Staff Member: Director of Public Works Brad Underwood)

**RELATED STRATEGIC PLAN BUDGET INITIATIVE(S):** **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.

**RELATED DISTRICT POLICIES, PRACTICES, RESOLUTIONS OR ORDINANCES**

Board Policy 2.1.0 Budgeting and Fiscal Management Financial Standards  
Board Policy 20.1.0 Purchasing Policy for Goods and Services

**DATE:** May 25, 2023

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**I. RECOMMENDATION**

1. Approve the purchase order agreement with Utility Services Associated for performing a leak detection survey for the amount of \$10,142.
2. Authorize the Director of Public Works to execute the contract in substantially the form presented.

**II. BACKGROUND**

The District has a proactive maintenance program to survey watermains, service lines, and related appurtenances. The area for this leak survey and pinpointing project consists of distribution pipe, varying in sizes from 5” through 12”. Pipe material consists of AC, DI, and STL. Valve boxes are mostly accessible for ease

of access to equipment.

This proactive maintenance program provides survey of pipe in areas where leaks are suspected. These areas include:

1. The oldest areas in the system.
2. Areas with a history of leak repairs.
3. Areas where porous soil conditions inhibit leaks from surfacing.

The system surveys are completed using sonic leak detection sound amplification instruments in conjunction with a sensitive transducer. The use of pipe tracing and box locating equipment are also used.

Detailed Leak Reports with estimated gallons per minute (GPM) will be provided to the District as needed. A Final Report is provided at the completion of the project, which includes an Executive Summary, Survey Review, Leak Reports with data on each individual leak and a drawing showing the leak locations. The leak detection survey will occur once during the spring and once during the fall.

This item is placed on the Consent Calendar in accordance with Policy 3.1.0.4.

### **III. BID RESULTS**

There are no bid results associated with this item.

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

Budget is available within the Water Operating Budget.

### **V. ALTERNATIVES**

Not approve the purchase order and allow leaks to go undetected.

### **VI. COMMENTS**

The purchase order agreement has been approved substantially to the form presented by legal counsel.

### **VII. BUSINESS IMPACT/BENEFIT**

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

The project identifies waterline leaks within the District's existing water transmission system. Identifying leaks is important in maintaining the District's waterlines, as when leaks go undetected it can be costly to the District.

### **VIII. ATTACHMENTS**

1. Purchase Order Agreement\_Leak Detection

### **IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES**

1. Approve the purchase order agreement with Utility Services Associated for performing a leak detection survey for the amount of \$10,142.
2. Authorize the Director of Public Works to execute the contract in substantially the form presented.

Account No. 2000224- 7520	Req. No.	<b>Purchase Order No.</b> Order Date: May 8, 2023 Delivery By: June 30, 2024 Buyer: Jim Youngblood Phone Number: 775-832-1214 E-mail: jey@IVGID.org	<b>Remit to:</b> INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
<b>CONTRACTOR</b>  <u>Leak Detection Project</u>  <u>Utility Services Associates</u>  <u>916 W. Center St., Kalispell, MT 59901</u>  Attn: <u>Cayd Mathiasen</u>		<b>INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT</b>	

This Purchase Order is subject to the attached terms and conditions.

**Services:**

This PURCHASE ORDER (SERVICES) is for performing comprehensive leak detection/survey services within the Incline Village General Improvement District (IVGID) service area on water mains, service lines and related appurtenances. The area for this leak survey and pinpointing project consists of distribution pipe, varying in sizes from 5" through 12," with pressure varying from 50 to 200 PSI. Pipe material consists of AC, DI, and STL. Valve boxes are mostly accessible for easy contact of equipment. Contractor's services are further described in Exhibit A to this Purchase Order, incorporated herein by this reference.

**OWNER:**  
**Incline Village G.I.D.**

**CONTRACTOR:**  
**Utility Services Associates**

Agreed to:

Agreed to:

By: \_\_\_\_\_  
 Brad B. Underwood, P.E.  
 Director of Public Works

By:   
 Signature of Authorized Agent

Cayd Mathiasen – Account Manager  
 \_\_\_\_\_  
 Print or Type Name and Title

\_\_\_\_\_  
 Date

05/17/23  
 \_\_\_\_\_  
 Date

**Reviewed as to Form:**

\_\_\_\_\_  
 Joshua Nelson  
 District General Counsel

If Contractor is a corporation, attach evidence of authority to sign.

\_\_\_\_\_  
 Date

**PURCHASE ORDER TERMS AND CONDITIONS FOR SERVICES**

1. Acceptance; Entire Agreement. This purchase order for services issued by the INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT ("DISTRICT") to the Contractor designated in the purchase order must be promptly accepted and acceptance is expressly limited to the terms of this order. Any addition or different terms in the Contractor's forms are hereby deemed to be material alterations and notice of objection to them and rejection of them is hereby given. Contractor's performance of any portion of this order shall be considered acceptance by the Contractor of the terms herein.

2. Compensation. Contractor shall be paid on a time and materials or firm fixed fee basis, as may be agreed upon by the parties as described in this Purchase Order, or in documents attached hereto and hereby made a part hereof, within 30 days of receipt of invoice. If the work is performed on a time and materials basis, the invoice shall include a detailed description of the work performed, labor hours and materials. DISTRICT understands that a service charge of 1.5% per month will be assessed on past due or delinquent invoices (those which have not been paid within 30 days of receipt), and that payments by credit card will result in a convenience fee of 3% at the time of payment.

3. Compliance with Law. Contractor shall comply with all applicable laws and regulations of the federal, state and local government. DISTRICT shall assist Contractor, as requested, in obtaining and maintaining all permits required of Contractor by Federal, State and local regulatory agencies. Contractor is responsible for all costs of clean up and/or removal of hazardous and toxic substances spilled as a result of his or her work.

4. Standard of Care. The Contractor shall perform the work in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of the profession practicing under similar conditions. Contractor shall also comply with State and Federal environmental and safety regulations as they apply to the scope of work.

5. Insurance. Contractor shall take out and maintain: A. Commercial General Liability Insurance, of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate for bodily injury, personal injury and property damage, naming DISTRICT as an Additional Insured; B. Automobile Liability Insurance for bodily injury and property damage including coverage for owned, non-owned and hired vehicles, of at least \$1,000,000 per occurrence for bodily injury and property damage; C. Workers' Compensation in compliance with applicable statutory requirements and Employer's Liability Coverage of at least \$1,000,000 per occurrence; and D. Contractors providing professional services shall provide Professional Liability (Errors and Omissions) Insurance of at least \$1,000,000. Insurance carriers shall be licensed or authorized to do business in Nevada.

6. Indemnification. The Contractor shall indemnify and hold harmless DISTRICT, its officials, officers, agents and employees from and against any and all claims, liabilities, expenses or damages, including reasonable attorneys' fees, for injury or death of any person, or damage to property, or interference with use of property, or patent infringement or fees for use of patented items, or any claim of the Contractor or a subcontractor for wages or benefits which arise in connection with the performance of the Contract, except to the extent caused or resulting from the active or sole negligence or willful misconduct of DISTRICT

or from Contractor's actions in operating any DISTRICT appurtenances, including system valves and hydrants, in accordance with law, DISTRICT policy, and the standard of care set forth in section 4 of this Purchase Order. The foregoing indemnity includes, but is not limited to, the cost of prosecuting or defending such action with legal counsel acceptable to DISTRICT and DISTRICT's attorneys' fees incurred in such an action. If Contractor's obligation to defend, indemnify, and/or hold harmless arises out of Contractor's performance of "design professional" services subject to NRS 338.155, then, and only to the extent required by NRS 338.155, which is fully incorporated herein, Contractor's indemnification obligation shall be limited to the extent that such liabilities, damages, losses, claims, actions or proceedings are caused by the negligence, errors, omissions, recklessness or intentional misconduct of the Contractor or its employees and agents. Moreover, while Contractor shall not be required to initially defend the District, Contractor, if adjudicated to be liable by a trier of fact, the Contractor shall be reimburse the District or the attorney's fees and costs incurred by the District defending the action in an amount which is proportionate to the liability of the Contractor.

9. Contract Terms. Nothing herein shall be construed to give any rights or benefits to anyone other than DISTRICT and the Contractor. The unenforceability, invalidity or illegality of any provision(s) of this Contract shall not render the other provisions unenforceable, invalid or illegal. Notice may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to the parties to the addresses set forth in the purchase order. Contractor shall not assign, sublet, or transfer this Contract or any rights under or interest in this Contract without the written consent of DISTRICT, which may be withheld for any reason. Contractor is retained as an independent contractor and is not an employee of DISTRICT. No employee or agent of Contractor shall become an employee of DISTRICT. This is an integrated Contract representing the entire understanding of the parties as to those matters contained herein, and supersedes and cancels any prior oral or written understanding or representations with respect to matters covered hereunder. This Contract may not be modified or altered except in writing signed by both parties hereto.

10. Notice of Labor Dispute. Whenever Contractor has knowledge that an actual or potential labor dispute may delay performance under this purchase order, Contractor shall immediately notify and submit all relevant information to DISTRICT.

11. Changes. By written notice, DISTRICT may from time to time, direct work suspension or make changes in quantities, drawings, designs, specifications, place of delivery or delivery schedules, methods of shipment and packaging, and property and services furnished to DISTRICT by Contractor. If such change causes an increase or decrease in the price of this purchase order or in the time required for performance, Contractor or DISTRICT shall promptly notify the other party thereof and assert its claim for adjustment within thirty (30) days after the change is ordered, and an equitable adjustment shall be made. However, nothing in this clause shall excuse the Contractor from proceeding immediately with the purchase order as changed.

12. Obligations. Contractor shall be solely responsible for providing all materials, labor, tools, equipment, water, light, power, transportation, superintendence, and temporary construction of every nature and all other services and all

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT – PURCHASE ORDER (SERVICES)

facilities necessary to execute, complete, and deliver the work within the specified time.

13. Damage to District Facilities. Damage to DISTRICT or public facilities or private property caused by the Contractor or by its subcontractors during performance of services shall be repaired and/or replaced in kind at no cost to the DISTRICT.

14. Site Safety and Cleanup. The project site shall be kept clean and free of hazards at all times during performance of services. After and installation is completed at the site, as applicable, Contractor shall clean the surrounding area to the condition prior to delivery and installation.

15. Installation. If the Contractor is responsible for providing installation services, finished installation work and/or equipment shall be subject to final inspection and acceptance or rejection by the DISTRICT.

16. District Staffing. DISTRICT hereby agrees to, upon reasonable request by Contractor, provide access to one member of its staff at certain times when Contractor is on site to provide services pursuant to this Purchase Order and needs DISTRICT assistance, to ensure that Contractor is provided with all necessary information pertaining to DISTRICT's water system. Upon request, DISTRICT staff member will also assist Contractor in ensuring that no areas in need of service are missed, and that all possible methods have been utilized to locate all water lines accurately.

17. Final Report. Upon Contractor's completion of services pursuant to this Purchase Order, Contractor will provide to DISTRICT an electronic copy of its final project report. A hard copy may be provided upon DISTRICT's request for a cost of \$25.00 for the first copy and \$15.00 for any additional copies, which costs shall be added to DISTRICT's final invoice.

**EXHIBIT A  
CONTRACTOR’S SCOPE OF SERVICES AND PRICING**

Services to be provided by the Contractor include comprehensive leak survey and pinpointing on all of the District’s distribution pipes.

**PRICING:**

The below is based on the Parties’ understanding at the time of contracting, and may be adjusted by mutual agreement of the Parties as appropriate.

<b>Description</b>	<b>Unit</b>	<b>Quantity</b>	<b>Amount</b>	<b>Total</b>
Water Leak Detection Survey	Day	6	\$1,450.00	\$8,700.00
Mobilization Charges	N/A	N/A	\$721.00	\$721.00
<b>Project Total</b>				<b><u>\$9,421.00</u></b>

The above mobilization charge represents a minimum price, applicable only when the Contractor has planned to be on-site for project completion. Should additional services be desired that require mobilization to the District’s location, any related costs (airfare, rental car, freight, etc.) will be negotiated at that time. **Any applicable state taxes will be added at the time service is performed.**

**Daily rate for water leak detection survey services is based on 8 hours per day, Monday through Friday.** Should additional days or services be requested by the District, the additional charges will conform to the rates set forth herein or as separately negotiated by the Parties in a written amendment to this Purchase Order. The timeline for completion of this project will be extended only upon mutual written agreement of both Parties.