

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest, District General Manager
Brad Underwood, Director of Public Works

FROM: Bree Waters, District Project Manager

SUBJECT: Review, Discuss and Possibly Approve Staff Recommendation to Issue a Request for Proposal (RFP) for Design Services by an Architect and Engineering Team, and for Preconstruction Services by a Construction Manager at Risk for the Incline Beach House Project (Requesting Staff Member: District Project Manager Bree Waters)

RELATED STRATEGIC PLAN INITIATIVE(S):

LONG RANGE PRINCIPLE #1 - SERVICE

The District will provide superior quality service through responsible stewardship of District resources and assets with an emphasis on the parcel owner and customer experience.

LONG RANGE PRINCIPLE #5 - ASSETS

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:

Not applicable.

DATE: February 8, 2023

I. RECOMMENDATION

That the Board of Trustees review, discuss and possibly make a motion to approve Staff recommendation to issue a Request for Proposals (RFP) for Design Services by an Architect and Engineering Team, and for Preconstruction Services by a Construction Manager at Risk for the Incline Beach House Project.

II. BACKGROUND

The District Board of Trustees (Board) identifies the Incline Beach House Project (Project) as a Community Services Master Plan Priority Project, a Top Tier

Recommendation. The Top Tier Recommendation, from page 136, of the Community Services Master Plan, includes the priorities identified in “The IVGID Beaches Recreation Enhancement Opportunities Plan,” prepared in February 2016 and is located on the Incline Village General Improvement District’s (District) website. The Project was discussed at the following Board Meetings:

- May 6, 2016: The Board authorized a design contract with Bull Stockwell Allen (BSA), to prepare pre-design concepts for potential Board approval. A focus committee was formed which included two (2) Board members and members of the community. BSA developed two (2) options, Options A and B. Schematic drawings and construction estimates were developed. During this time, the District Public Works Engineering Staff (Staff) surveyed the community via FlashVote and held a public outreach workshop.
- March 23, 2017: Staff presented the schematic design options, community survey results, preliminary cost estimate, project funding and Staff recommendations to the Board. During this time, staff also solicited additional public input and completed an initial cost estimate.
- 2018: Due to higher than expected cost estimates for the Project, coupled with arising issues with the Burnt Cedar Pool, the Board shifted resources to the Burnt Cedar Pool for replacement.
- November 13, 2019: Staff brought the Project back in front of the Board as an agenda item to revisit and to discuss the next steps. The Board directed Staff to develop an alternative design with a reduced project scope and reduced square footage to align with the Board’s expectations for functionality.
- January 22, 2020: Staff revised BSA’s design and presented a new schematic design, Alternative #1 (Alt #1), and the associated cost estimate to the Board. This design:
 - Enlarged the bathrooms over existing conditions. Portables will be used during the busiest periods.
 - Enlarged the bar over existing conditions.
 - Focused on outdoor space and removed the scramble area.

The Board discussed having a meeting the following May, with two (2) Board members and the focus group. However, COVID ensued and the staff turned over.

- January 12, 2022: The Board provided feedback and direction to Staff related to Board/District Priority Projects within Community Services. The Board confirmed that the Incline Beach House Project remains a priority for the District.
- July 27, 2022: Staff provided a historical summary of the Project. Staff requested that the Board review the existing design concepts and provide staff with a clear understanding of the priority improvements moving forward.

The schematic design for Alt. #1 is shown in Attachment A. Staff has developed an updated cost estimate for Alt. #1 and is shown in Attachment B. Alt. #1 reduces the overall square footage by removing the scramble area, janitor closet, office, and liquor storage. See Table 1 in Attachment C for a square footage comparison between the original design Options #A and #B and the updated design, Alt #1.

The Alt. #1 layout does not include improvements to the parking lot nor improvements to the circulation at the main entrance and guard shack. Improvements to these aspects of Incline Beach were discussed in the “Beach Access Study” performed by LSC. In reviewing the LSC study the Board asked staff to focus on signage to reflect that the beaches are private, work to revise outside web resources to state that the beaches are private, and limit access through the use of RFID technology for vehicles and pedestrians. Should the Board desire to move forward with circulation improvements, consideration to merge these projects should be discussed.

Staff recommends using the Construction Manager at Risk (CMAR) model for the project. This model is a collaborative process that manages project, cost and scheduling risks. Staff recommends bringing the Architectural and Engineering (A&E) Team and CMAR on at the beginning of the design process. By bringing the team together at the beginning of design, the team can develop a responsible budget and develop alternative designs with the intention of reducing project costs. The A&E and CMAR will also layout the most efficient schedule to complete the Project.

Bringing the team together at the beginning of design, results in design and cost alternatives being reviewed and discussed during the design phase of the project. For instance, large wooden beam members that were a part of the original BCS design may not be necessary or cost effective now. This is an example of an alternative that can be priced accurately and discussed during the design process and will give the District the most effective design at the best value.

III. BID RESULTS

Not applicable.

IV. FINANCIAL IMPACT AND BUDGET

Staff has been working with several contractors and numerous design professionals to develop an updated project cost estimate. With the current cost of construction and escalation projections, the Project estimate is well over the 2020 estimate that was previously presented to the Board. The Direct Cost Total of the Project is \$3,433,050. The Direct Cost Total includes the demolition, site improvements and building improvements. The overall Total Project Budget is estimated to be \$6,061,050. The Total Project Budget includes the Direct Costs plus the design, engineering and permitting costs as well as the contractor's General Conditions, including bonding, insurance, overhead and profit. There is

a construction contingency, which is best practice to include at this stage of Capital Improvement Projects (CIP). The construction contingency at this stage is based on the current conceptual design and is carried by the District for future circumstances that can not be predicted. For instance, the need to replace aged site infrastructure to current standards. This contingency will decrease as the design progresses. The escalation allowance was obtained from consulting with experienced construction companies who are currently using between 10% and 20% escalation percentages over one year because of the volatility of the construction market.

The current budget for the Project between fiscal years (F/Y) 2023 through 2024 is \$3,350,000. Refer to the CIP Data Sheet in Attachment D. If the Board approves proceeding in the current fiscal year with Design Services by an A&E Team and with Preconstruction Services by a CMAR, staff estimates a budget augmentation in the amount of \$635,000 will be required. The budget augmentation for the Project would be recommended at the same time the Board considers the award of contracts for the A&E Team and with Preconstruction Services by a CMAR. The FY 23/24 the project budget would be modified to reflect a total amount of \$5,326,050 within the CIP. At the beginning of the design process, a construction cost range can be established by the Board and design alternatives can then be developed to fall within the instructed cost range.

V. ALTERNATIVES

The alternative to the CMAR model would be to contract with an A&E Team for the design of the Project and put the Project out to bid in the "Low-Bid" process. Once the Low-Bid was awarded, a Construction Manager would be hired to manage the project. The Construction Manager would support the project and report to Staff. The downfall of this process is the loss of construction knowledge during the design process as well as the inability to bring forward meaningful and cost effective design alternatives.

VI. COMMENTS

If the Board makes a motion to approve Staff to issue an RFP for Design Services by an A&E Team as well as for a CMAR, Staff requests that a price range for the Direct Costs is suggested by the Board. Meaning, an estimated range for the cost of the demolition, site improvements and building improvements. This will allow the A&E Team and CMAR to better understand the scope of work and will more efficiently drive the design development. For example, if a price range of \$2.5M and \$3.5M is defined for Direct Costs, the team can develop options and complete value engineering to meet the defined range.

VII. DISTRICT IMPROVEMENT, COST REDUCTION, RETURN ON INVESTMENT OR PRODUCTIVITY ENHANCEMENT

The District improvements would be the demolition of the original Incline Beach House built in the late 1960's and the construction of a new building with associated site improvements. Completion of the project will provide an increased level of service and an enhanced user experience for attendees at Incline Beach. The Return on Investment is not part of the engineering review of this project.

VIII. BUSINESS IMPACT

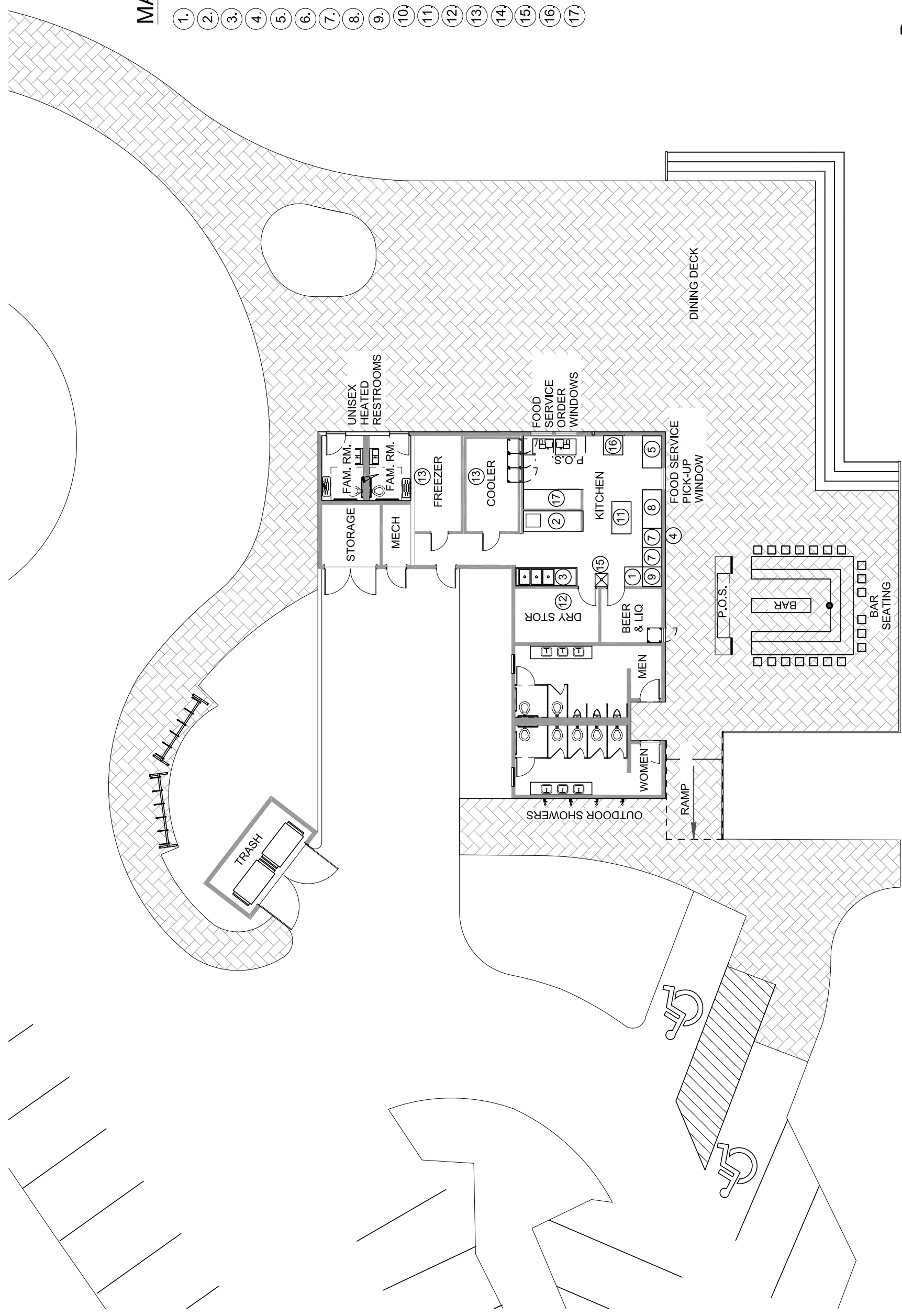
This item is not a "rule" within the Nevada Revised Statute, Chapter 237 and does not require a Business Impact Statement.

IX. ATTACHMENTS

1. Attachment A - Exhibit #1 - Alt. #1
2. Attachment B - 2023 Estimate_24Jan23
3. Attachment C - Square Footage Comparison
4. Attachment D - CIP Datasheet Fiscal Year 2023

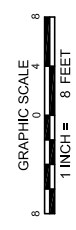
X. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

Refer to Section I, Recommendations.



MANDATORY ITEMS:

1. HAND WASHING SINK
2. PREP SINK - PRODUCE
3. 3 COMPARTMENT SINK - DISHWASHING
4. HOOD SYSTEM
5. 5' PREP TABLE WITH DRAWERS
6. 6' PREP TABLE WITH DRAWERS
7. 2 EA. FRYERS
8. 48" FLAT TOP GRILL
9. TOASTER
10. 4' PREP TABLE WITH DRAWERS
11. 60" PIZZA STYLE PREP TABLE
12. SHELVING FOR STORAGE AREAS
13. SHELVING FOR WALK-IN COOLERS
14. POTS/PANS/ETC.
15. FLOOR DRAIN
16. ICE MACHINE
17. GRID WALL



Beach House - Alternative #1
 Incline Beach House
 Incline Village General Improvement District
 Feb. 2, 2023

Incline Beach House				
Cost Estimate 2023				
Alternative #1				
	Unit	Qty.	Unit Cost	Total
DEMOLITION				
Hazardous Material Remediation	SF	1,500	\$17.50	\$26,250
Building Demolition	SF	1,500	\$22.50	\$33,750
SITE WORK				
SWPPP/Winter Site Requirements	LS	1	\$136,000	\$136,000
Site Clearing, Grubbing, & Subgrade Prep	SF	10,500	\$8.00	\$84,000
Site Improvement	SF	10,500	\$12.00	\$126,000
Outdoor Bar & Deck	SF	3,130	\$295.00	\$923,350
BUILDING				
Structure Systems (structural concrete, framing, etc.)	SF	2,005	\$250	\$501,250
Enclosure Systems (roofing, siding, windows, etc.)	SF	2,005	\$155	\$310,775
Interiors Systems (doors, finishes, etc.)	SF	2,005	\$110	\$220,550
Mechanical Systems (HVAC, plumbing, etc.)	SF	2,005	\$125	\$250,625
Electrical Systems	SF	2,005	\$100	\$200,500
Food Service Equipment	LS	1	\$620,000	\$620,000
DIRECT COST TOTAL				\$3,433,050
ESCALATION ALLOWANCE ¹		\$3,433,050	10.00%	\$343,305
DIRECT COST + ESCALATION ALLOWANCE				\$3,776,355
		Costs	Percentage	Total Costs
Design & Permitting		\$3,433,050	15.00%	\$514,958
CMAR Pre-Construction Services ²		\$3,433,050	4.25%	\$145,905
Construction Contingency ³		\$3,433,050	25.00%	\$858,263
IVGID Staff Time ⁴		\$3,433,050	8.00%	\$274,644
GENERAL CONTRACTOR				
General Conditions & Requirements		\$3,776,355	8.00%	\$302,108
CMAR Construction Services		\$3,776,355	5.00%	\$188,818
TOTAL PROJECT ESTIMATED BUDGET				\$6,061,050

Notes:

1. The Escalation Allowance accounts for construction cost escalation with construction assumed to begin May 2024.
2. CMAR (Construction Manager at Risk) fee for the pre-construction services prior to the negotiation of the Guaranteed Max Price.
3. A Construction Contingency is based on the current conceptual design and is carried by the District for future circumstances that can not be predicted. For example, old and deteriorated underground utilities that need to be replaced.
4. IVGID Staff Time includes oversight of design, permitting and pre-construction services. This cost also includes construction inspection services.

Square Footage Comparison
Table 1

Area Name	Existing Area (SF)	Proposed BSA Option A Area (SF)	Proposed BSA Option B Area (SF)	Proposed IVGID Alt. #1 Area (SF)
Scramble	-	857	836	-
Janitor Closet	-	17	-	-
Office	-	70	80	-
Family Restroom	-	179	143	162
Men's Restroom ¹	240	323	270	287
Women's Restroom ²	240	323	263	287
Beer	-	70	79	90
Cooler	-	117	113	136
Dry Storage	90	90	106	121
Freezer	-	52	60	96
Kitchen	320	546	468	501
Liquor	-	88	45	54
Storage	88	117	87	102
Mechanical	46	63	45	51
Hall	-	147	147	118
Total	1,024	3,059	2,742	2,005

Notes:

1. The proposed Men's Restroom has one (1) more urinal than the existing Men's Restroom.
2. The proposed Women's Restroom has one more stall than the existing Woman's Restroom.



Project Summary

Project Number:	3973LI1302
Title:	Incline Beach Facility Replacement
Project Type:	
Division:	38 - Beach Food and Beverage
Budget Year:	2023
Finance Options:	
Asset Type:	LI - Land Improvements
Active:	Yes

Project Description
 This CIP is for the replacement of the Incline Beach House. Based on the outcome of the 2016 Beach Facility Study and the 2019 Community Services Master Plan this project will replace the existing structure at Incline Beach and will provide a covered bar and associated deck along with an open-air dining deck. The preliminary design funds allocated in 2021 are being carried over to the FY22/23 due to the engineering team not being fully staffed for a good portion of FY22. ~~Funds are being allocated in FY24/25 and FY25/26 for final design, permitting and construction.~~

Project Internal Staff → If the Board approves the Total Project Budget, funds should be allocated for FY 22/23 for \$735,000 (see below)

Engineering will manage the project with support from Parks, Recreation, and Beaches Staff. This project has been identified as a CMAR project.

Project Justification
 Improving the community gathering area at Incline Beach and the associated structure will improve an under-developed area at Incline Beach and will greatly improve the beach use for customers and community events. The existing structure is under-sized relative to current operations as well as customer use and expectations. The facility is not winterized and the structure is unavailable for use by customers during the winter months. These enhancements were identified as the highest priority improvements in the 2016 Beach Facility Study, Priority Project in the Community Services Master Plan, and a Board Priority project in 2021.

Budget Year	Total Expense	Total Revenue	Difference
Forecast			
2023 - Carryover = \$100,000			
2024			
Final Design	180,000	0	180,000
Internal Staff	25,000	0	25,000
Permitting	45,000	0	45,000
Year Total	250,000	0	250,000
2025			
Construction	2,825,000	0	2,825,000
Construction Administration (A&E)	80,000	0	80,000
Internal Staff	45,000	0	45,000
Material Testing/Special Inspection	50,000	0	50,000
Year Total	3,000,000	0	3,000,000
	3,250,000	0	3,250,000

Current Budget:
 Total Budget for FY 22/23 = \$100,000
 Total Budget for FY 23/24 = \$3,250,000
 Total Project Budget = \$3,350,000

Updated Budget from Current Cost Estimate for Project:
 Proposed Project Budget = \$6,061,050
 Proposed FY 22/23 = \$735,000 (Includes Design, Permitting, Pre-Construction CMAR Services and IVGID Staff time through July 1, 2023).
 Proposed FY 23/24 = \$5,326,050 (includes all estimated Construction, and Construction Phase Services)

Budget Augmentation:
 FY 22/23 \$735,000 - \$100,000 = \$635,000

Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2012			Engineering Manager	