

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winqest
District General Manager

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

SUBJECT: Review, discuss and possibly approve an Additional Services Amendment to the Professional Services Contract for Public Utility Rate Study for Provision of Water and Sewer Services; Vendor: HDR Engineering, Inc.; Amount: \$0; Fund 200 (Utilities)

DATE: December 8, 2021

I. RECOMMENDATION

That the Board of Trustees makes a motion to:

1. Authorize an Additional Services Amendment to the Professional Services Contract for a Public Utility Rate Study for Provision of Water and Sewer Services; HDR Engineering, Inc.; Amount: \$0; Fund 200 (Utilities).
2. Authorize Staff to execute the Additional Services Amendment.

II. BACKGROUND

The last approved rate increase was passed by the Board of Trustees on April 10, 2019. At their meeting of February 26, 2020, the Board of Trustees reviewed and discussed the District's 2020 Utility Rate Study and further approved a motion to set the required public hearing for April 14, 2020. At the conclusion of the public hearing, the Board considered public testimony, as well as the impacts of the emerging COVID-19 pandemic, and the Board collectively decided to defer the proposed 2020/21 utility rate increase to a future date.

At the January 13, 2021 Board of Trustees meeting, the Board considered options relative to implementing utility rate increases to support ongoing operations and

capital program requirements. The options included resuming the process for implementing the originally proposed 2020/21 utility rates or deferring action, pending completion of a utility rate study. The Board did not select to resume the process of the originally proposed 2020/21 utility rate increase. The preference was to proceed with a third party rate analysis. In order to achieve the Board's preference, funds were added to the sewer and water operating budgets for FY 2021/22 to hire a consultant to perform a rate analysis for utility operations and capital program requirements.

On September 2, 2021 the Board of Trustees awarded a Professional Services Contract to HDR Engineering, Inc. to conduct the utility rate study for provision of water and sewer services. The study is intended to establish 5-year water and sewer utility rates for all customer types. Their findings will be documented in a final written report and presentation to the Board of Trustees. An amendment to the contract is needed to extend the completion date to April 30, 2022 and approve HDR Engineering, Inc. 2022 rate schedule. The additional time is needed to complete the study, report back to the Board of Trustees, and request and hold a public hearing.

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

III. BID RESULTS

This item was competitively bid through a Request for Proposals process. HDR Engineering was selected as the most qualified candidate and was awarded the contract for professional services.

IV. FINANCIAL IMPACT AND BUDGET

The recommendation included in this agenda item has no financial impact. Unless additional services are requested, the current contract amount of \$74,935 will support completion of the rate study. Funding is provided in the adopted FY2021/22 sewer and water operating budgets for this purpose within the Utility Fund (Fund 200).

Review, discuss and possibly approve an Additional Services Amendment to the Professional Services Contract for Public Utility Rate Study for Provision of Water and Sewer Services; Vendor: HDR Engineering, Inc.; Amount: \$0; Fund 200 (Utilities)

-3-

December 8, 2021

V. ALTERNATIVES

There is no viable alternative as additional time is needed to complete the study, report back to the Board of Trustees, and request and hold a public hearing.

VI. COMMENTS

This contract amendment has been reviewed and approved by District General Counsel Joshua Nelson.

VII. BUSINESS IMPACT

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

Attachments:

HDR Engineering, Inc. Additional Services Amendment which includes:

- HDR Engineering, Inc. 2022 Rate Schedule

⌘ AMENDMENT 1 ⌘
to SHORT FORM AGREEMENT dated September 3, 2021
INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
and
HDR ENGINEERING, INC.
for PROFESSIONAL SERVICES

This Amendment 1, dated Date, shall amend the above referenced agreement (Agreement) as follows.

1. Amendment

Section 3.2 is hereby amended to read in full as follows:

“3.2 Consultant agrees to exercise diligence in the performance of its services consistent with the agreed upon schedule, which is based upon an anticipated completion date of no later than **April 30, 2022**, subject, however, to the exercise of the generally accepted standard of care for performance of services.”

2. Amendment

The rate schedule for the Basic Services is hereby updated as set forth in Attachment 1.

3. Except as otherwise amended by this Amendment 1, the Agreement remains in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment 1 as of the day and year first written above.

OWNER:
INCLINE VILLAGE G. I. D.
Agreed to:

CONTRACTOR:

Agreed to:

By:

Brad B. Underwood, P. E.
Director of Public Works

By:

Signature of Authorized Agent

Print or Type Name and Title

Date

Date

Reviewed as to Form:

Joshua Nelson
District General Counsel

Date

Contractor's address for giving notice:
HDR Engineering, Inc.
2365 Iron Point Road, Suite 300
Folsom, California 95630

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

ATTACHMENT 1, Rate Schedule

Individual	Project Role	2021 Hourly Rate	2022 Hourly Rate
Kevin Calderwood	Principal in Charge	\$300.00/hour	\$310.00/hour
Shawn Koorn	Project Manager	\$295.00/hour	\$305/hour
Tom Gould	QA/QC	\$295.00/hour	\$295.00/hour
Tom Hoffman	Engineering Assistance	\$160.00/hour	\$170.00/hour
Josiah Close	Senior Rate Analyst	\$165.00/hour	\$175.00/hour
Admin/Acct.	Admin/Acct.	\$135.00/hour	140.00/hour