

MEMORANDUM

TO: Board of Trustees

THROUGH: Indra Winquest
District General Manager

FROM: Nathan Chorey, P.E.
Engineering Manager

SUBJECT: Review, discuss and possibly authorize appropriating \$45,000 from unallocated Utility capital funds to advance design of FY2021-22 Capital Project: Watermain Replacement – Slott Peak Court; CIP # 2299WS1705

STRATEGIC PLAN: Long Range Principle 5 – Assets and Infrastructure

DATE: December 1, 2020

I. RECOMMENDATION

That the Board of Trustees makes a motion to authorize appropriating \$45,000 from unallocated Utility capital funds to advance design of FY2021-22 Capital Project: Watermain Replacement – Slott Pk Court; CIP # 2299WS1705.

III. BACKGROUND

The District’s Five-Year Capital Improvement Plan adopted with the annual budget on May 27, 2020 includes annual Watermain Replacement projects totaling \$3,511,000 through FY2024/25. Projects include the Martis Peak Watermain Replacement (\$990,000) in the current year, and the Slott Peak Court Watermain Replacement (\$250,000) in FY2021/22.



5 Year Capital Improvement Plan Summary - As of 5/27/20

Department	Project Number	Project Title	Project Manager	2021	2022	2023	2024	2025	Total
	2299DI2603	Residential meter and electronics replacement	Collection/Distribution Supervisor	-	-	-	150,000	250,000	400,000
	2299LV1720	2013 Mid Size Truck #630 Compliance	Fleet Superintendent	-	31,000	-	-	-	31,000
	2299WS1704	Watermain Replacement - Martis Peak Road vicinity	Senior Engineer	990,000	-	-	-	-	990,000
	2299WS1705	Watermain Replacement - Crystal Peak Road	Senior Engineer	-	50,000	986,000	-	-	1,036,000
	2299WS1706	Watermain Replacement - Slott Pk Ct	Senior Engineer	-	250,000	-	-	-	250,000
	2299WS1802	Watermain Replacement - Alder Avenue	Senior Engineer	-	-	50,000	535,000	-	585,000
	2299WS1803	Watermain Replacement - Future	Senior Engineer	-	-	-	50,000	600,000	650,000
	2299WS1804	R6-1 Tank Road Construction	Senior Engineer	-	125,000	-	-	-	125,000

Earlier this year, the Board authorized award of the construction contract for the Martis Peak Road project, and concurrently, reduced project funding by \$353,910 due to favorable bid and overall project cost savings. The Board’s motion included

Review, discuss and possibly authorize appropriating \$45,000 from unallocated funds to design FY2021-22 Project: Watermain Replacement – Slott Pk Court; Fund: Utilities; Division: Water; Project 2299WS1705

a provision whereby utility funds reduced from the project would revert to fund balance and remain unavailable for other projects without subsequent board action. The specific Board motion was:

Reduce the appropriation in Watermain Replacement – Martis Peak Road Vicinity; Fund: Utilities; Division: Water; Project 2299WS1704 by \$353,910 which will result in a new lower project budget (amending our FY2020-21 budget and Five-Year CIP) and the \$353,910 returns to Utility Fund balance with no risk that it remains "available" for other projects later this year without Board action to re-appropriate.

This action was reflected in the FY2020/21 First Quarter CIP Popular Status Report presented at the Board meeting of October 27, 2020.

Incline Village General Improvement District		Capital Improvement Projects Report to the Board of Trustees			PROPOSED For the Year Ending June 30, 2021							
DESCRIPTION	PROJECT #	Original Budget	Prior Year Carry Forward	Current Year Budgeted	Projects Cancelled	Adjustments	Reallocation	Future Year Reservation Fund Balance	FY202021 Adjusted Budget	Fiscal Year Expenditures As of 9/30/20	Variance	Status
General Fund:												
IT Master Plan - IT Security Devices	1213CE1101	15,000		15,000					15,000	-	15,000	
District Wi-Fi Installation Update	1213CE1501	60,000		45,000					40,000	16,382	23,618	In Progress
District Communication Radios	1213CE1701	6,000		6,000					6,000	-	6,000	In Progress
District Wide Update to Voice Over Internet Phone System	1213CE1901	60,000		60,000					60,000	-	60,000	In Progress
IT Infrastructure	1213CO1505	91,800		91,800			(33,700)		58,100	-	58,100	Completed
District Wide PC, Laptops, Peripheral Equipment and Desk Top Printers	1213CO1703	97,050		97,050					97,050	19,556	77,494	In Progress
Microsoft Office Licenses	1213CO1803	9,300		9,300			(9,300)		-	-	-	Re-allocation
Windows Server Operating System	1213CO1804	14,000		14,000			43,000		57,000	56,547	453	In Progress
Admin Roof Repairs	1099BD1501	12,000		12,000					12,000	-	12,000	
Pavement Maintenance - Administration Building	1099L11205	5,000		5,000					5,000	-	5,000	
Human Resources Management and Payroll Processing	1315CO1801	300,000	300,000						300,000	-	300,000	
Total General Fund		\$ 676,150	\$ 300,000	\$ 350,150	\$ -	\$ -	\$ -	\$ -	\$ 650,150	\$ 92,485	\$ 557,665	
Utility Fund:												
Arc Flash Study - Utilities	2097BC0001	60,000		60,000					60,000	-	60,000	
Public Works Siting Software Replacement	2097CO0101	10,000		10,000					10,000	-	10,000	
Adjust Utility Facilities in NDOT/Washoe County Right of Way	2097DI1401	145,000		25,000					25,000	6,924	18,076	In Progress
Water Reservoir Safety and Security Improvements	2097DI1701	250,000	389,396	200,000					589,396	114,200	475,196	In Progress
2011 Chevrolet Service Truck #647 Treatment	2097L1749	48,000		48,000					48,000	-	48,000	
Pavement Maintenance, Utility Facilities	2097L1401									17,900	(17,900)	Prior Year
Utility Shared Projects		\$16,000	\$89,396	\$340,000	-	-	-	-	\$729,396	\$41,024	\$88,372	
Water Pumping Station Improvements	2299DI1102	70,000		70,000					70,000	-	70,000	
Replace Commercial Water Meters, Vaults and Lids	2299DI1103	55,000		55,000					55,000	7,595	47,405	In Progress
Water Reservoir Coatings and Site Improvements	2299DI1204	55,000		55,000					55,000	-	55,000	
Burnt Cedar Water Disinfection Plant Improvements	2299DI1204	25,000		25,000					25,000	-	25,000	
Watermain Replacement - Martis Peak Road vicinity	2299WS1704	990,000		990,000			(383,910)		636,090	534,216	101,874	In Progress
Burnt Cedar Water Distribution Plant Emergency Generator Fuel Tank Upgrades	2099CH1707	200,000	175,000	-					175,000	-	175,000	
Unallocated Capital Project Funding							353,910		353,910			
Water		1,425,000	175,000	1,225,000	-	-	353,910	-	1,490,000	\$41,811	\$64,279	

At this time, Staff is requesting Board authorization to allocate \$45,000 from unallocated funds (formerly Martis Peak Road project funds) to advance internal planning and design efforts for the FY 2021-2022 Watermain Replacement – Slott Peak Court Project. The Project Data Sheet for the Slott Peak Court project, reflects \$45,000 for Internal Planning & Design, and is included in the FY2021-22 CIP project budget. If the requested re-allocation of available current year capital funding is authorized by the Board, the project funding included in the FY2021/22 CIP will be reduced so as to result in no net increase in the overall project budget.

Appropriating unallocated funds to complete this work in the current fiscal year will allow staff to begin design of next fiscal year’s water main replacement project this fiscal year. Accelerating the design of the project will take advantage of the current competitive bid climate and allow the District to bid the project in spring 2021. Construction will commence in July 2021 when construction funds are available.

Review, discuss and possibly authorize appropriating \$45,000 from unallocated funds to design FY2021-22 Project: Watermain Replacement – Slott Pk Court; Fund: Utilities; Division: Water; Project 2299WS1705

-3-

December 1, 2020

IV. ALTERNATIVES

1. Not authorize appropriating \$45,000 from unallocated funds to design Project: Watermain Replacement – Slott Peak Ct. Note: This will delay construction of the project until May/June of 2022.

V. 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.

Attachment:
Watermain Replacement Slott Peak Ct Project – Project Summary Data Sheet



Project Summary

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

Project Description
<p>This project is a continuation of the multi-year program to replace 1960's era thin-wall steel watermains and other deficient watermains. This project will replace the watermain on Slott Peak, a Cul de Sac on the western end of Lakeshore Blvd.. Replacement criteria is twofold: Replace those watermains with the most leaks and in streets with aging pavement. Since our water loss is now less than 6%, our main objective is to work closely with the Washoe County Road Department to replace watermains just prior to the County's repaving the street. We also work closely with the North Lake Tahoe Fire Protection District to determine areas of low fire flow, which may indicate a need for increased capacity in that area. There is approximately 6 miles of old steel watermains remaining in the system.</p> <p>Our watermain replacement strategy involves meeting with Washoe County prior to each budget year and jointly agreeing on streets to be paved and watermains to be replaced. This project budgets to replace approx. 6 miles of pipeline in 15 years at \$1,500,000 per mile. Without additional escalators, that is \$9,000,000 in 15 years or \$600,000 per year. Adjustments have been made to allow for the trend of a high year then low year of work scheduled.</p>

Project Internal Staff
Engineering will perform Design, Engineering, Bidding, Contract Administration and Inspection tasks. Outside contractor to do the work. IVGID resources remain available for ongoing maintenance activities and emergency response.

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

Forecast				
Budget Year	Total Expense	Total Revenue	Difference	
2022				
Construction Inspection & Testing	30,000	0	30,000	
Internal Planning & Design	45,000	0	45,000	
Washoe Co Street Repair and Penalties	25,000	0	25,000	
Watermain Construction	150,000	0	150,000	
Year Total	250,000	0	250,000	
	250,000	0	250,000	

Year Identified	Start Date	Est. Completion Date	Manager	Project Partner
2017	Nov 2, 2020	Jun 30, 2022	Senior Engineer	