

MEMORANDUM

TO: Board of Trustees

THROUGH: Kent Walrack, District General Manager

FROM: Kate Nelson, Director of Public Works

SUBJECT: Review, Discuss and Approve:

1. The Construction Agreement for the Capital Improvement Water Main Replacement - Ponderosa Ranch Road, FY 2024/25 Utilities: Water: CIP #2224WS2501, in the Amount of \$596,610.50 with F.W. Carson Construction; and,
2. Authorize Staff to Execute Change Orders for Additional Work if Required up to Approximately 10% of the Construction Contract Value; not to Exceed \$60,000.00; FY 2024/25 Utilities: Water: CIP #2224WS2501 (Requesting Staff Member: Director of Public Works Kate Nelson).

RELATED FY 2023 STRATEGIC PLAN BUDGET INITIATIVE(S):

LONG RANGE PRICIPLE #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 12.1.0 Multi-year Capital Planning; Board Policy 21.2.0 Purchasing Policy for Public Works Contracts

DATE: December 11, 2024

I. RECOMMENDATION

That the Board of Trustees make a motion to:

1. Award the Construction Contract to F.W. Carson Construction in the amount of \$596,610.50; and,
2. Authorize Staff to execute change orders for additional work, if required, of

approximately 10% of the Construction Contract value; not to exceed \$60,000; and,

3. Authorize the Board Chair and Board Secretary to execute contracts with F.W. Carson Construction based on a review by General Counsel and Staff.

II. BACKGROUND

The Water Main Replacement - Ponderosa (Project) is a FY 2024/25 Capital Improvement Project and is a continuation of the multi-year program to replace 1960's-era thin-wall steel water mains and other deficient water mains. The Project consists of the installation of approximately 1,650 linear feet (LF) of new water main and appurtenances within the Ponderosa Ranch Road and Tunnel Creek Road right-of-way. The Ponderosa Ranch Road portion has experienced multiple leaks in recent years requiring IVGID Public Works Staff to perform emergency repairs on the existing steel water main. The photo below shows four areas of repair within approximately 15 linear feet (LF) of existing water main. Each of the repairs was completed at different times.



A contract contingency of approximately 10% is proposed to account for unforeseen conditions during construction such as unknown ground conditions or existing utility conflicts.

The Project bid and construction documents were prepared by IVGID Staff.

III. BID RESULTS

The District publicly advertised the Project for bidding in accordance with NRS 338 in November 2024 with a bid opening on November 26, 2024. The Engineer's Estimate for the project was \$687,000; six responsive bids were received (ATTACHMENT A) ranging from \$596,610.50 to \$962,675.00.

The lowest responsive bid was submitted by F.W. Carson Construction for an amount of \$596,610.50.

IV. FINANCIAL IMPACT AND BUDGET

The Ponderosa Ranch Road Water Main Replacement Project CIP #2224WS2501 was included in the Board approved FY 2024/25 CIP Budget meeting on May 30, 2024 (Item G.3.A) with a total project budget of \$800,000. The proposed cost estimate for the entire project from start-up through close-out is approximately \$730,000.

The table below presents the estimated Project costs for the Ponderosa Water Main Replacement project:

Task	Cost
Site Survey - (external consultant)	\$7,800
District Design, Project Management, & Construction Inspection	\$55,000*
Construction	\$596,610.50
Contract Contingency (~10%)	\$60,000
Construction Materials Testing	\$7,500**
Total	\$726,910.50

*Includes initial design concept through bidding/construction and project close out.

**Estimated cost. The actual cost will be determined based on a contract with an outside consultant that will be contracted prior to the start of construction in May 2025.

The funding difference between the approved Project budget and the final total Project budget (post project closeout) will be returned to the Utility Fund balance.

Section 5 of the contract documents, construction agreement, for the Project is attached (ATTACHMENT B). The complete contract documents can be found on the District's website: https://www.yourtahoepace.com/uploads/pdf-public-works/20241204_PW_2224WS2501_-_Ponderosa_Ranch_Rd_WaterMain_-_Project_Documents.pdf

V. ALTERNATIVES

Not authorize the construction of the Ponderosa Water Main Replacement and continue ongoing maintenance and emergency repairs.

VI. COMMENTS

The Agreement between the District and F.W. Carson Construction has been reviewed and approved by District 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.

VIII. ATTACHMENTS

1. ATTACHMENT A - PONDEROSA WATER MAIN BID RESULTS
2. ATTACHMENT B - PONDEROSA WATER CONSTRUCTION AGREEMENT

IX. DECISION POINTS NEEDED FROM THE BOARD OF TRUSTEES

Incline Village General Improvement District
 Bid Results for Project Ponderosa & Tunnel Creek Water Main Replacement (2224WS2501)
 Bid Issued on 10/31/2024
 Bid Due on November 26, 2024 2:00 PM (PST)

Line Totals (Unit Price * Quantity)										
Item Num	Description	Unit of Measure	Quantity	FW Carson Co	RaPiD Construction	MKD CONSTRUCTION, INC.	Gerhardt and Berry Construction	Farr Construction Corporation dba. Resource Development Company	Burdick Excavating Co.	
1	Mobilization/Demobilization	LS	1	\$12,284.50	\$23,000.00	\$63,000.00	\$25,525.00	\$44,600.00	\$45,000.00	
2	Temporary Erosion Control	LS	1	\$8,260.00	\$5,000.00	\$15,000.00	\$4,945.00	\$15,000.00	\$40,000.00	
3	8-inch C900 PVC Water Main (Ponderosa)	LF	1251	\$192,028.50	\$193,905.00	\$187,650.00	\$256,455.00	\$296,487.00	\$243,945.00	
4	8-inch Gate Valve	EA	2	\$10,139.00	\$8,000.00	\$11,200.00	\$8,100.00	\$10,400.00	\$12,000.00	
5	Fire Hydrant Assembly (Ponderosa)	EA	3	\$65,136.00	\$55,500.00	\$52,500.00	\$54,186.00	\$55,500.00	\$64,500.00	
6	STA 1+00 - Water Main Connection (Ponderosa)	LS	1	\$4,374.50	\$12,500.00	\$12,000.00	\$8,541.00	\$8,600.00	\$13,000.00	
7	STA 13+51 - Water Main Connection (Ponderosa)	LS	1	\$3,533.50	\$12,500.00	\$14,000.00	\$10,265.00	\$12,300.00	\$15,000.00	
8	6-inch C900 PVC Water Lateral Connection (Ponderosa)	EA	2	\$15,357.00	\$22,000.00	\$36,000.00	\$16,410.00	\$24,200.00	\$34,000.00	
9	2-inch HDPE Water Service Connection (Ponderosa)	EA	4	\$10,902.00	\$20,000.00	\$18,000.00	\$13,928.00	\$20,800.00	\$40,000.00	
10	Pavement Reinstatement (Ponderosa)	LS	1	\$90,064.00	\$100,000.00	\$59,000.00	\$167,930.00	\$122,500.00	\$120,000.00	
			Subtotal	\$412,079.00	\$452,405.00	\$468,350.00	\$566,285.00	\$610,387.00	\$627,445.00	
11	Mobilization/Demobilization	LS	1	\$4,990.00	\$4,500.00	\$14,000.00	\$8,004.00	\$11,300.00	\$10,000.00	
12	Temporary Traffic Control	LS	1	\$7,630.50	\$2,500.00	\$11,500.00	\$8,683.00	\$16,500.00	\$25,000.00	
13	Temporary Erosion Control	LS	1	\$5,670.50	\$1,000.00	\$7,000.00	\$1,495.00	\$8,400.00	\$20,000.00	
14	8-inch C900 PVC Water Main (Tunnel Creek)	LF	396	\$66,132.00	\$61,380.00	\$93,060.00	\$79,200.00	\$114,444.00	\$93,060.00	
15	STA. 0+77 Water Main Connection (Tunnel Creek)	LS	1	\$3,020.50	\$8,000.00	\$9,500.00	\$7,785.00	\$12,300.00	\$14,000.00	
16	STA. 4+73 Water Main Connection (Tunnel Creek)	LS	1	\$4,112.00	\$9,500.00	\$11,000.00	\$9,171.00	\$13,200.00	\$14,000.00	
17	Pavement Restoration (Tunnel Creek)	LS	1	\$28,090.50	\$25,000.00	\$30,000.00	\$48,995.00	\$41,800.00	\$50,000.00	
			Subtotal	\$119,646.00	\$111,880.00	\$176,060.00	\$163,333.00	\$217,944.00	\$226,060.00	
18	Mobilization/Demobilization	LS	1	\$2,824.00	\$5,000.00	\$13,000.00	\$3,450.00	\$11,100.00	\$18,000.00	
19	Traffic Control	LS	1	\$3,191.50	\$1,301.00	\$6,000.00	\$4,991.00	\$9,300.00	\$10,000.00	
20	2" Mill & Overlay	SF	4630	\$32,410.00	\$46,300.00	\$55,560.00	\$37,040.00	\$44,911.00	\$50,930.00	
21	Type II Slurry Seal	SF	7560	\$26,460.00	\$26,460.00	\$22,680.00	\$26,460.00	\$13,230.00	\$30,240.00	
			Subtotal	\$64,885.50	\$79,061.00	\$97,240.00	\$71,941.00	\$78,541.00	\$109,170.00	
			Total	\$596,610.50	\$643,346.00	\$741,650.00	\$801,559.00	\$906,872.00	\$962,675.00	

SECTION 5
AGREEMENT BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT

This Agreement is by and between the **Incline Village General Improvement District** (“Owner” or “IVGID”) and **FW Carson Co** (“Contractor”). This Agreement will be effective on **December 12, 2024** (which is the Effective Date of the Contract). Terms used in this Agreement have the meanings stated in the General Conditions and the Supplementary Conditions.

Owner and Contractor hereby agree as follows:

ARTICLE 1—WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows: **Construction of approximately 1,650 linear feet of 8-inch water main, fire hydrants, service laterals, water main connections, and pavement restoration along Ponderosa Ranch Rd & Tunnel Creek Rd.**

ARTICLE 2—THE PROJECT

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: **Ponderosa & Tunnel Creek Water Main Replacement**

ARTICLE 3—ENGINEER

3.01 IVGID’s Engineering Division is to act as Owner’s representative, assume all duties and responsibilities of Engineer, and have the rights and authority assigned to Engineer in the Contract.

3.02 The part of the Project that pertains to the Work has been designed by the IVGID Engineering Division.

ARTICLE 4—CONTRACT TIMES

4.01 *Time is of the Essence*

- A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.
- B. The OWNER anticipates issuing the Notice to Proceed on or about **May 1, 2025**.

4.03 *Contract Times: Days*

- A. The Work will be substantially complete within **40** working days after the date when the Contract Times commence to run as provided in Paragraph 4.01 of the General Conditions, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions within **90** days after the date when the Contract Times commence to run. Final Completion must be before **October 15, 2025**.

4.05 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the Contract Times, as duly modified. The parties also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
1. *Substantial Completion*: Contractor shall pay Owner **\$1,000** for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for Substantial Completion, until the Work is substantially complete.
 2. *Completion of Remaining Work*: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner **\$1,000** for each day that expires after such time until the Work is completed and ready for final payment.
 4. Liquidated damages for failing to timely attain Substantial Completion, and final completion are not additive, and will not be imposed concurrently.
- B. If Owner recovers liquidated damages for a delay in completion by Contractor, then such liquidated damages are Owner's sole and exclusive remedy for such delay, and Owner is precluded from recovering any other damages, whether actual, direct, excess, or consequential, for such delay, except for special damages (if any) specified in this Agreement.

ARTICLE 5—CONTRACT PRICE

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents, the amounts that follow, subject to adjustment under the Contract:

- A. For all Unit Price Work, an amount equal to the sum of the extended prices (established for each separately identified item of Unit Price Work as shown on the Bid Form. The total estimated Contract Price is **\$596,610.50**.

The extended prices for Unit Price Work set forth as of the Effective Date of the Contract are based on estimated quantities. As provided in Paragraph 13.03 of the General Conditions, estimated quantities are not guaranteed, and determinations of actual quantities and classifications are to be made by Engineer.

- B. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6—PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on the basis of Contractor's Applications for Payment, as recommended by Engineer, on or about the first day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.
1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract.
 - a. Ninety-five percent (95%) of the value of the Work completed (with the balance being retainage).
 - b. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to ninety-seven and one-half percent (97.5%) of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work, and as recommended by Engineer, Owner shall pay the remainder of the Contract Price in accordance with Paragraph 15.06 of the General Conditions.

6.04 *Consent of Surety*

- A. Owner will not make final payment, or return or release retainage at Substantial Completion or any other time, unless Contractor submits written consent of the surety to such payment, return, or release.

6.05 *Interest*

- A. All amounts not paid when due will bear interest at the rate of six percent (6%) per annum.

ARTICLE 7—CONTRACT DOCUMENTS

7.01 *Contents*

- A. The Contract Documents consist of all of the following:
1. This Agreement.
 2. Contractor's Bid dated November 25, 2024.
 3. Bonds:
 - a. Performance bond (together with power of attorney).
 - b. Payment bond (together with power of attorney).

4. General Conditions.
 5. Supplementary Conditions.
 6. Specifications as listed in the table of contents of the project manual (copy of list attached).
 7. Drawings (not attached but incorporated by reference) consisting of **12** sheets with each sheet bearing the following general title: **Ponderosa & Tunnel Creek Water Main Replacement**.
 8. Addenda (numbers ~~[number]~~ to ~~[number]~~, inclusive).
 9. Exhibits to this Agreement (enumerated as follows):
 - a. For all projects over \$100,000, State of Nevada Prevailing Wage Rates, Washoe County, current edition as of Award date of project.
 10. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed.
 - b. Work Change Directives.
 - c. Change Orders.
- B. The Contract Documents listed in Paragraph 7.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 7.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the Contract.

ARTICLE 8—REPRESENTATIONS, CERTIFICATIONS, AND STIPULATIONS

8.01 Contractor's Representations

- A. In order to induce Owner to enter into this Contract, Contractor makes the following representations:
1. Contractor has examined and carefully studied the Contract Documents, including Addenda.
 2. Contractor has visited the Site, conducted a thorough visual examination of the Site and adjacent areas, and become familiar with the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
 3. Contractor is familiar with all Laws and Regulations that may affect cost, progress, and performance of the Work.
 4. Contractor has carefully studied the reports of explorations and tests of subsurface conditions at or adjacent to the Site and the drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, with respect to the Technical Data in such reports and drawings.

5. Contractor has carefully studied the reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, with respect to Technical Data in such reports and drawings.
6. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Technical Data identified in the Supplementary Conditions or by definition, with respect to the effect of such information, observations, and Technical Data on (a) the cost, progress, and performance of the Work; (b) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (c) Contractor's safety precautions and programs.
7. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
8. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
9. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and of discrepancies between Site conditions and the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
10. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
11. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

8.02 *Contractor's Certifications*

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 8.02:
 1. "corrupt practice" means the offering, giving, receiving, or soliciting of anything of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and

4. “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

8.03 *Standard General Conditions*

- A. Owner stipulates that if the General Conditions that are made a part of this Contract are EJCDC® C-700, Standard General Conditions for the Construction Contract (2018), published by the Engineers Joint Contract Documents Committee, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, in the Supplementary Conditions.

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

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

Trustee Sara Schmitz, Chairperson

Date

Trustee Michaela Tonking, Secretary

Date

Reviewed as to Form:

Sergio Rudin
District Legal Counsel

Date

CONTRACTOR:
F. W. CARSON COMPANY
Agreed to:

By:

Signature of Authorized Agent

Print or Type Name and Title

Date

If CONTRACTOR is a Corporation, attach evidence of authority to sign.