

**SQUAW VALLEY PUBLIC SERVICE DISTRICT
WATER AND SEWER COMMITTEE MEETING
DATE: JANUARY 28, 2019**

- A. Call to Order – The meeting was called to order at 9:00 A.M.
- B. Public Comment – None.

Directors Present: Directors Dale Cox and Eric Poulsen

Attendees: Jessica Asher, Secretary to the Board; Brandon Burks, Operations Superintendent; Mike Geary, General Manager; Danielle Grindle, Finance and Administration Manager; Dave Hunt, District Engineer; Greg Lyman, Farr West Engineering; Matt Van Dyne, Farr West Engineering.

Item D taken out of order.

D. PlumpJack Well – Pumphouse, Phase Two:

The Environmental Impact Report (EIR) Addendum is expected to be discussed at the February 7th Squaw Valley Municipal Advisory Council (MAC) Meeting and with the Planning Commission on February 28th. The design modifications address floodplain remapping and conversion from hotel units to sellable condominiums. Once the EIR addendum has been approved and the Project schedule is better understood, the District will finalize the well house design

C. Award Contract for Truckee River Siphon Replacement Project:

Mr. Hunt reviewed the item. The District put the Truckee River Siphon Replacement Project (Project) out to bid on May 4, 2018. No bids were received by the May 25th bid opening date.

Staff and Farr West Engineering have spent the past 8 months communicating with several general contractors, directional drilling contractors, and regulatory agencies to adjust the design criteria based on site conditions and geologic constraints. The major design change was to make the drilling radius shallower. The District received proposals from three qualified general contractors between October 2018 and January 2019. The proposal results are as follows:

- Cruz Construction – \$1,711,450
- Ames Construction - \$1,797,721
- Q&D Construction - \$1,847,100

Staff and Farr West Engineering have reviewed the proposals and spoken with project references and determined that the low bidder, Cruz Construction, and their drilling subcontractor, Kinnan Engineering Inc., are well qualified to perform the work for the District.

The bid for the drilling portion of the work by Kinnan Engineering, Inc. was \$1.7M. While this was approximately \$500,00 more than the original estimate, all the drilling bids were very similar and thus, staff and consultants believe this is the true cost of the service in the current economy. The original estimate was based on projects that Greg Lyman, Farr West Engineering, had done in Reno. However, the economy has improved since and the geology of all projects is different which affects the costs. The cost of doing the project with open excavation would be considerably more expensive.

Greg Lyman and Matt Van Dyne reviewed Cruz Construction's references, qualifications and local projects. While Cruz Construction and Kinnan Engineering have not worked together in the past it appears that a favorable relationship has started between the two groups.

Mr. Hunt explained that the Board will be requested to approve the construction contract with a 5% construction contingency. Director Cox asked if 5% was enough. Mr. Hunt said that some of the line items in the budget already account for less-than-ideal scenarios and he feels a 5% contingency should be sufficient.

Director Cox asked if NV5 will be doing geotechnical analysis. Mr. Hunt responded that NV5 may perform compaction testing during construction but the borings for existing ground conditions have already been taken.

Director Poulsen asked if the project could be put on hold until the economy is not as strong and construction costs have decreased. Mr. Hunt responded that is too hard to know when that might occur and the project cannot wait.

Director Poulsen asked how the project would be funded. Ms. Grindle said The Truckee River Siphon Replacement Project is being funded through a combination of funds from the Sewer Capital and the Sewer Fixed Asset Replacement Fund (FARF).

Director Poulsen asked if required access and easements has been secured. Mr. Hunt responded that only one was needed, and it has been recorded.

Mr. Hunt said the schedule would have mobilization beginning in June and a mid-October completion date.

Director Cox asked how large the proposed mains were. Mr. Hunt responded that there a 16" primary line and a 12" line, which will serve current capacity and projected full build-out of the Valley.

Director Cox said he was nervous but felt confident that a good team was in place and that the District is going in the right direction. He added that the success of the project is important to a lot of agencies. Director Poulsen thanked the team for the hard work and agreed the project should move forward.

No further business coming before the Finance Committee, the meeting was adjourned at 9:57 A.M.

By, JA