

**STAFF REPORT**

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**Date:** July 24, 2024

**To:** Mayor and City Council

**Through:** Jackie Bryant, Interim City Manager

**Subject:** Staff Report (For Possible Action): Award of Contract to Gerhardt & Berry Construction Inc. for the Moya Interceptor Capacity Project in the amount of \$1,645,034. (Sewer Fund)

**From:** Jonathan Smith, Senior Civil Engineer

**Department:** Public Works

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**Summary:**

The Moya Interceptor Capacity Project is located on Moya Boulevard between Silver Shores Drive and Silver Dawn Drive. The project will remove and replace approximately 1,650 linear feet of existing 12-inch and 15-inch sewer pipe with a new 18-inch polyvinyl chloride (PVC) sewer interceptor. Utility Services identified this location as a high priority for replacement with a larger diameter to accommodate current and future capacity needs for the North Valleys. Five bids were received and opened on June 27, 2024. Gerhardt & Berry Construction Inc. submitted the best bid pursuant to the requirements established in Nevada Revised Statutes (NRS) Chapter 338 in the amount of \$1,645,034, which includes a contingency. This project is included in the City’s Capital Improvement Plan (CIP) budget for fiscal year (FY) 24. The work is scheduled to begin this summer and be complete by fall 2024. Staff recommends Council award the contract to Gerhardt & Berry Construction Inc.

<b>Consent Review</b>	<b>Yes</b>	<b>No</b>
1. Is this item an annual or standard item that comes before Council for regular approval?		X
2. Is this item an agreement required based on an item previously approved by Council?		X
3. Is this item included in the current budget approved and adopted by Council?	X	
<b>Other Considerations</b>		
What percent of the total City budget does this item represent?	0.18%	

**Alignment with Strategic Plan:**

Infrastructure, Climate Change, and Environmental Sustainability

**Previous Council Action:**

There is no recent Council action relevant to this item.

**Background:**

Master planning efforts have identified locations, based on anticipated land use, where the sewer collection system capacity will be exceeded in future years. Utility Services identified the sewer in Moya Boulevard between Silver Shores Drive and Silver Dawn Drive as a high priority for replacement with a larger diameter to accommodate current and future capacity needs.

**Discussion:**

This project will provide additional capacity to a portion of sanitary sewer that is currently near or at its maximum capacity. The project includes the removal and disposal of approximately 1,650 feet of the existing 12-inch and 15-inch diameter sewer pipe and the installation of 18-inch diameter standard dimensional ratio (SDR) 35 PVC sanitary sewer interceptor pipe to meet future capacity needs. The 18-inch sewer main improvements will begin in Moya Boulevard near Big River Drive and tie into existing 18-inch sewer interceptor near Silver Shores Drive as shown in the vicinity map below.

# Vicinity Map



Staff conducted a public bid for the Moya Interceptor Capacity Project and opened five bids on June 27, 2024. Gerhardt & Berry Construction Inc. submitted the best bid pursuant to the requirements established in Chapter 338 of the NRS. Gerhardt & Berry Construction Inc. is a local general contractor licensed in Nevada. Below is a bid summary table.

**Table 1 – Bid Summary**

<b>Bidder</b>	<b>Total Bid Price</b>
Engineer's Estimate	\$1,175,274.00
Gerhardt & Berry Construction, Inc.	\$1,495,034.00
M4 Engineering LLC	\$1,683,946.00
Q&D Construction LLC	\$2,533,000.00
Sierra Nevada Construction, Inc.	\$2,568,007.00
Spanish Springs Construction, Inc.	\$4,603,675.00

The engineer's estimate was low but was based on past projects of similar scope and complexity, not fully considering the impact of current economic conditions such as inflation and economic growth. The consequences of not awarding this bid today will result in potential issues in the existing sanitary sewer and future developments.

Staff recommends awarding the contract to Gerhardt & Berry Construction Inc. for the Moya Interceptor Capacity Project for \$1,645,034, which includes a \$150,000 contingency for unforeseen items encountered during construction.

**Table 2 – Recommended Bid Award**

<b>Moya Interceptor (Base Bid)</b>	<b>\$1,495,034.00</b>
<b>Contingency</b>	<b>\$150,000</b>
<b>Bid Award</b>	<b>\$1,645,034.00</b>

A construction management and material testing service agreement with Shaw Engineering for this project is also on this agenda for Council consideration and approval.

**Financial Implications:**

This project is included in the FY 23/24 CIP and \$1,645,034 is available in the Sewer Fund.

**Legal Implications:**

This contract was competitively bid in accordance with Chapter 338 of the NRS. NRS 338.147 provides that a local government shall award a contract for a public work for which the estimated

cost exceeds \$250,000 to the contractor who submits the best bid pursuant to the requirements of the chapter. Gerhardt & Berry Construction Inc. maintains the proper license to perform the project and submitted the best bid pursuant to state law.

**Recommendation:**

Staff recommends Council award the contract to Gerhardt & Berry Construction Inc. for the Moya Interceptor Capacity Project in the amount of \$1,645,034 and authorize the Mayor to sign the contract.

**Proposed Motion:**

I move to approve staff recommendation.

**Attachments:**

Gerhardt & Berry\_Contract\_SR