



STAFF REPORT

TO: Chairman and Board Members
THRU: Mark Foree, General Manager
FROM: Scott Estes, Director of Engineering
DATE: December 4, 2012
SUBJECT: **Request to approve an increase in TMWA's previously authorized share of construction costs to upgrade the Fleish Pedestrian Bridge in accordance with the Access Agreement between Tahoe Pyramid Bikeway (TPB) and TMWA**

Recommendation

Staff recommends that the Board approve an increase in TMWA's share of the Fleish Bridge reconstruction costs of up to \$175,612 to reflect the actual cost of construction and the cost allocations identified in the Access Agreement.

Discussion

For the benefit of new Board members, the Fleish Bridge is a suspension (swinging) pedestrian bridge spanning the Truckee River at the diversion structure for the Fleish hydroelectric plant. The diversion control gate is located on the east side of the river and is normally not accessible from the east in the winter months. The bridge provides necessary access from the west side of the river under those conditions.

The Board approved the Access Agreement between TMWA and Tahoe Pyramid Bikeway (TPB) in April 2010. The agreement states TMWA will fund up to \$144,000 (42%) of the construction costs based on an estimate of what it *would have cost* TMWA to replace the existing bridge. The TPB committed to funding up to \$200,000 (58%) of the construction costs to improve the bridge for bike path use.

Due to favorable access conditions, the new north bridge anchor was constructed separately in October 2011. The remainder of the bridge design was completed in July 2012 and the construction project was bid August 2012. Granite Construction and Q&D Construction were the only contractors to submit bids on the September 13, 2012 deadline. The low bid of \$370,370 was submitted by Granite. Adding north anchor costs, estimated materials testing costs, special inspection costs, and a recommended three percent change order contingency, the new total construction cost is estimated to be \$418,123. Applying the allocation percentages shown above would result in TMWA paying \$175,612 and TPB paying \$242,511 of the total construction costs.

TMWA and TPB evaluated the bid results and jointly determined that: (a) no significant changes could be made to the bridge design or materials; and (b) rebidding the project in the spring of 2013 would likely result in a higher construction cost. Since TMWA's costs were capped at \$144,000 and the TPB desired to move forward with the project as soon as possible, the TPB accepted responsibility for the extra costs to allow the construction contract to be awarded to Granite. TPB's acceptance of the extra costs was made under the condition that they be provided the opportunity to approach the TMWA Board to request that 42 percent of the overage be paid by TMWA, consistent with the original cost-sharing agreement.

The construction costs and allocations discussed above are summarized as follows:

| | | |
|------------------------------------|---------------|----------------------------|
| North Anchor Construction | \$ 31,753 | (actual costs) |
| Granite Construction Contract | 370,370 | (actual bid amount) |
| Special Inspections | 5,000 | (Black Eagle estimate) |
| Change Order Contingency | <u>11,000</u> | (approx. 3%) |
| Total Construction Costs | \$418,123 | |
| Revised TPB Capped Share (58%) | \$242,511 | (\$42,511 increase) |
| Revised TMWA Capped Share (42%) | \$175,612 | (\$31,612 or 22% increase) |

The change order contingency shown above will not be spent unless necessary; therefore, TMWA's actual share of the construction costs could be as low as \$170,992. This represents an increase of \$26,992 or 19% above the original \$144,000 allocation.

12-12-12 BOARD Agenda Item 13
Distributed at meeting

Tahoe-Pyramid
BIKEWAY



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12. PRESENTATION AND DISCUSSION OF AN ACCESS AGREEMENT BETWEEN TRUCKEE MEADOWS WATER AUTHORITY AND THE TAHOE-PYRAMID BIKE TRAIL TO ALLOW USE OF A PORTION OF THE FLEISH HYDROELECTRIC PROPERTIES FOR THE BIKE WAY, WITH POSSIBLE ACTION BY THE BOARD TO AUTHORIZE GENERAL MANAGER TO EXECUTE THE AGREEMENT

Mr. Erwin explained that TMWA had been approached by the Tahoe-Pyramid Bikeway (TPB) in 2008 to request access for a portion of TMWA property for a bike trail. TPB is attempting to secure public access for a bike and pedestrian trail for the entire distance of the Truckee River from Lake Tahoe to Pyramid Lake. TPB has identified the Fleish property as presenting the best opportunity to complete the trail through this segment of the Truckee River Canyon; and, TMWA owns one third of the canyon property from Verdi to Boca. Mr. Erwin pointed out to the Board the financial and liability protections staff included in the agreement found in Sections 3.1, 4.7; 5.3; 6.6 and 6.7 of the agreement. The request also included significant improvements be made to a cable-suspended bridge over the Truckee River used by TMWA crews. The projected cost for those improvements is between \$300,000 and \$350,000. TPB is applying for a \$200,000 grant for the project and has asked TMWA to contribute up to \$144,000 for the remainder of the estimated costs. Mr. Erwin said that it is projected that in the coming years, TMWA would have to spend about approximately \$70,000 to \$75,000 to maintain the bridge anyway, so the potential additional cost to TMWA over the new few years is approximately \$75,000.

Vice Chairman Aiazzi asked if TMWA will retain ownership of the bridge to which Mr. Erwin replied TMWA will retain ownership of the bridge. Vice Chairman Aiazzi asked who would be responsible for construction and obtaining permits. Mr. Erwin said TMWA and TBP would work cooperatively to ensure the design meets TMWA standards but TBP would be responsible for oversight of construction, obtaining all permits and paying all associated costs. Member Martini asked for clarification on whether TMWA would have to upgrade the bridge anyway. Mr. Erwin responded that TMWA would not necessarily upgrade the bridge but would continue to maintain it for its current limited use by TMWA personnel. In its current configuration, the bridge is not up to standard for the potential increased pedestrian loads that would be experienced if the bike trail system were to include the TMWA bridge.

Janet Phillips, President of the TPB, spoke in support of the agreement, stating that as TMWA owns one third of the canyon property from Verdi to Boca, it is imperative that TPB partners with TMWA. She said the bike trail is critical to connect the Truckee River communities. The proposal is to put new side rails and decking on the bridge, repair the cables of the bridge and add a new steel head frame. There is no trail construction required for this segment of the bike trail. Signage and possibly some gates for the road would be added. Ms. Phillips concurred with Mr. Erwin on who would be responsible for what part of getting this done. She said the TPB needs TMWA's approval on the design and the permits, but the workload is on TPB.

Member Breternitz made a motion to approve the agreement; Member Larkin seconded the motion.

Chairman Carrigan called for discussion.

Chairman Carrigan said that he had a problem with committing \$70,000 of ratepayer money to this project and asked where the money would come from. Mr. Tissier said the money would

come from cash reserves and would be included in the capital improvement plan and budget for FY2012. Vice Chairman Aiazzi suggested the \$70,000 might come from the Truckee River Fund. Ms. Harrison said the Fund Advisors has uniformly rejected anything that is purely recreational and was sure they would reject this proposal also. Ms. Phillips concurred. Chairman Carrigan again commented that he has the same problem with using TMWA cash reserves as the Fund Advisors have using Fund monies. Ms. Phillips stated that because of the current economic climate there was some probability that the actual construction bids will come in lower than the engineering estimate. She said that the TPB is committed to \$200,000 for this project and if the cost comes in less than what the agreement is based on, TBP will give up the difference to TMWA. Member Cate expressed his concern about liability to TMWA and asked if there were any type of restrictions or government mandates for the bridge changing from what is now a privately-owned bridge to a public bridge. Mr. Erwin said that issue had been discussed as the agreement was drafted and permits from the Corps of Engineers or a special use permit from Sierra County, the jurisdiction this portion of the bike path is in, could be required, but it cannot be known with certainty the potential other permits that may be required until the permit application processes begin. He stated that if additional costs become necessary to upgrade the bridge even further than stated in the agreement, at that point, TMWA has the option to either continue the agreement or not continue the agreement.

Mr. Foree added if TMWA's recent project bid results, with costs which are coming in significantly lower than engineer's estimates, were any indication, there was a fair chance that the actual cost of the bridge construction could be quite a bit less than the current estimate, in which case TMWA could consider contributing less than the \$144,000. Member Breternitz said he would modify his motion to the extent that any savings accrue to TMWA if the bid comes under budget. Chairman Carrigan asked Member Breternitz to clarify that if there are no savings then his motion is that TMWA pays the \$144,000. Member Breternitz said yes. Member Larkin agreed and seconded the amended motion. Mr. Erwin asked if the motion included that the general manager be authorized to sign the agreement. Member Breternitz agreed that was part of his motion. Chairman Carrigan called for the vote and asked for a show of hands.

Upon motion by Member Breternitz, second by Member Larkin, which motion duly carried by a vote of 5 to 1, with Chairman Carrigan dissenting, the Board approved the access agreement between Truckee Meadows Water Authority and the Tahoe-Pyramid Bike Trail to allow use of a portion of the Fleish Hydroelectric properties for the Bike Way with the caveat that any savings in the construction costs v. engineer estimate for the project accrue to TMWA. The Board authorized the General Manager to execute the agreement.

Ms. Phillips thanked the Board, saying there is stiff competition for grant funds. She said that it would be great if TMWA and/or the jurisdictions would like to write a letter of support to the granting authority. She invited the Board members to attend the grand opening of the portion of the bike trail at the Tracy Power Plant on Monday, April 26.