

February 11, 2022

City of New Meadows
401 Virginia St
New Meadows, ID 83654

Dear Mayor Good and City Council Members,

Over the past few months, Mountain Waterworks has been working closely with the City of New Meadows' Mayor, City Clerk, and City Council to develop and implement a strategic plan for completion of your planned Water System Improvements Project. This multi-year, multi-phase effort is a major undertaking encompassing the following water system repair, rehabilitation, and replacement projects selected by the City and documented in Table 19 of the City's 2018 Water Facility Plan:

- New Groundwater Well (Well No. 5)
- Well No. 5 Land Acquisition
- New Well Facility
- New Water Storage Reservoir
- New Booster Station
- New Isolation Valves and Fire Hydrants
- US 95 Water Main Replacement
- SCADA Upgrades

PHASING OF PROJECTS

As projects have developed, Mountain Waterworks has phased design, bidding, and construction of a number of facilities as directed by the City and in response to the volatile conditions of the construction industry, the lack of a highly competitive bidding environment, and construction budget limitations. Resultingly, several design packages have been modified and at times re-bid, increasing project durations as well as costs associated with professional engineering services.

NEW PROJECT DIRECTION

At a City Council meeting held December 27, 2021, Mountain Waterworks received the directive to repackage two previously designed bid sets, one for the Well 5 facility and one for the new booster station and storage reservoir, into a combined bid package for all three facilities. We are prepared to complete the work as directed by the Mayor and City Council.

ENGINEERING BUDGET AMENDMENT

To complete the project as requested by City Council, an amendment to the Owner-Engineer Agreement between Mountain Waterworks and the City is required. The updated engineering budget requires an amended contract amount of \$139,900. Of this amount, \$99,900 is dedicated to design and project management services, and \$40,000 is dedicated to on-site facility construction observation of the remaining well facility, booster station, and reservoir projects.

PROJECT HISTORY

Since the City’s adoption of the Facility Plan, Mountain Waterworks has provided professional services associated with selected projects in distinct phasing in accordance with the City Council’s objective of minimizing the financial impact on water users within the community. The table below summarizes the scope of our existing contract and the additional services provided outside the existing contract scope by our team at City request.

Project Component	Existing Contract	Services Provided by Mountain Waterworks (Actual) at the Request of the City
US 95 water main replacement ¹	N/A ¹	In-field design assistance, on-site construction management, assistance with construction sequencing, contractor coordination, construction observation, assistance with flushing and microbiological sampling
Valve and hydrant replacement project	One (1) bid package	One (1) bid package
Distribution ²	N/A ²	Plan sheets, technical specifications, fieldwork for design, contract documents, public bidding
Combined well facility, booster station, and storage reservoir package	One (1) bid package	Developed two (2) independent packages for well house and booster station and reservoir
Well No. 5 drilling	One (1) bid package	Three (3) bid packages
Well No. 5 facility	One (1) bid package	Two (2) bid packages
Design reviews and phasing discussions	One each at 30%, 60%, 90%, and 100% design completion	Additional City Council meetings over the course of three (3) years
Funding procurement	N/A	Pursuing funding for project shortfalls
Development of strategic project planning	N/A	Meetings with City Council to develop project alternatives and strategic funding plans

Notes:

1. *Design and project management services were provided by City Engineer (Crestline).*
2. *This project was not included in the Facility Plan selected alternative and was replaced with US 95 work.*

The work summarized in this table reflects the complexity of the project as initially envisioned during development of the Water Facility Plan, relative to that required to develop a multi-phased project as directed by the City. As an example, the existing contract envisioned one combined design package for all Facility Plan projects, and to date multiple design packages and rounds of public bidding have been completed.

WORK REQUESTED TO BE PERFORMED

The most recent direction Mountain Waterworks has received from the City is to reorganize previously completed plans and specifications into a new package for public bidding of the City's Well No. 5 facility, booster station, and storage reservoir. Our understanding of scope of this task and related services is outlined below:

- Assist the City in pursuit of additional funding sufficient to make up the existing project budget shortfall, including submittal of a \$1.2 million Letter of Interest to the Idaho Department of Environmental Quality (IDEQ).
- Prepare one combined bid package with contract documents, drawings, and technical specifications for the Well No. 5 facility, booster station, and storage reservoir.
- Facilitate one round of public bidding for the combined project, with the intent to award the project to one prime contractor.
- Construction management of the three facilities, including submittal reviews, pay application approvals, change order processing, and contractor coordination.
- On-site RPR services for construction observation during the construction phase for the three facilities. This work is anticipated to be constructed in two subphases over the course of the next three years—first, construction of the Well No. 5 facility and connection of the new drinking water well to the public water system, and second, construction of the booster station and storage reservoir.

WATER SYSTEM IMPROVEMENTS PROJECT FUNDING SHORTFALL

Budget updates for the overall project and professional engineering services are attached to this letter. Accounting for unprecedented market conditions, the overall budget has been increased from the original \$3.4 million to a total of \$4.6 million as shown in the attached budget, leaving a shortfall of \$1.2 million. This shortfall highlights the criticality of developing and executing a strategic funding plan to complete the projects.

SCHEDULE AND NEXT STEPS

Understanding that timing of bidding and construction is critical, Mountain Waterworks intends to commence the work outlined in this amendment proposal immediately upon the City's authorization. A summary of the project's major deadlines in calendar days are summarized on the following page. A timeline based on working days is also attached to this letter. Assuming a start date of February 22, 2022, all facilities are projected to be operational by November 2024.

Water System Improvements Project Completion Timeline

Activity	Completion Date
City Approval of Amendment	February 2022
Submit Engineering Design to IDEQ	March 2022
IDEQ Review and Construction Approval	June 2022
Public Project Bidding	July 2022
Issuance of Contractor Award and Notice to Proceed	September 2022
Well Facility Construction	August 2023
Booster Station and Storage Reservoir Construction	November 2024

Thank you for your consideration of this amendment proposal. If it meets with your approval, Exhibit K of the Owner-Engineer agreement will require City authorization.

Mountain Waterworks



Tim Farrell, P.E.
Principal Engineer

Attachments (2): Overall Project Budget Update, Amended Engineering Budget

City of New Meadows Water System Improvements Project Budget

Item No.	Project Description	Forecast Total
1	US-95 Main Replacement Project	\$ 281,000
2	Valve and Hydrant Replacements	\$ 227,000
3	GIS Mapping (valves, hydrants, services)	\$ 6,000
4	Land Acquisition	\$ 25,000
5	Drill and Construct New Well	\$ 248,000
6	Short Distribution Main Replacement Sections	-
7	Construct Well Production Facilities and Install Well Pump	\$ 600,000
8	Construct New Booster Station	\$ 1,250,000
9	Construct New Reservoir	\$ 500,000
10	SCADA System Upgrades	\$ 60,000
11	Construction Subtotal	\$ 3,197,000
12	Construction Contingency (20% of remaining)	\$ 482,000
13	Total Construction	\$ 3,679,000
Engineering Contract		
14	Basic Services	\$ 476,400
15	Additional Services	\$ 130,000
16	Construction Observation-RPR	\$ 165,000
17	Total Engineering	\$ 771,400
Miscellaneous Expenses		
18	Legal, Administrative, CEDA, Misc.	\$ 150,000
19	Total Miscellaneous Expenses	\$ 150,000
20	Total Estimated Project Related Costs	\$ 4,600,000

City of New Meadows

Water System Improvement Project

Professional Services		Project Engineering Budget Update		
	Description	Existing Project Budget	Amendment 1	Proposed Budget
Basic Services	Task 01: Study and Report	\$43,000	\$0	\$43,000
	Task 02: Preliminary Design	\$127,200	\$0	\$127,200
	Task 03: Final Design	\$111,000	\$27,600	\$138,600
	Task 04: Bidding and Negotiation	\$33,000	\$8,800	\$41,800
	Task 05: Construction	\$42,400	\$63,400	\$105,800
	Task 06: Post Construction	\$19,900	\$100	\$20,000
	Basic Services Subtotal	\$376,500	\$99,900	\$476,400
RPR	Task 07: RPR Services (Construction Observation)	\$125,000	\$40,000	\$165,000
Additional Services	Additional Services Total	\$130,000	\$0	\$130,000
	Grand Totals	\$631,500	\$139,900	\$771,400