

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

October 28, 2025

To: Honorable President and Members of the Board of Directors
From: James Lee, General Manager
Subject: Contracted Pipeline Replacement for FY 2025-26

ACTION ITEM:

Consideration and possible motion to authorize the General Manager to negotiate pipeline replacement contracts with Sukut Construction and W.A. Rasic Construction for contracts within the budgeted amount.

BACKGROUND:

The District's multi-prong approach to pipeline replacement includes: 1) initiation of Year 1 of the in-house pipeline replacement (IHP); and 2) initiation of alternative models for contracted pipeline. This item details the status of bids for contracted pipeline with a request for authorization to negotiate up to the budgeted amount for contracted pipeline. Summarized below are the ranges of goals and budgets for FY 2025-26.

Method of Delivery	Lower-Range Goal for Year 1 (miles)	Lower-Range Goal for Year 1 (LF)	Upper-Range Goal for Year 1 (miles)	Upper-Range Goal for Year 1 (LF)
Contracted Pipeline	1.20	6,336	2.30	12,144
In-House Pipeline	0.63	3,330	0.87	4,597
Total:	1.83	9,666	3.17	16,741

FY 2025-26 Budget: < up to \$2.4 million > < up to \$8.4 million >

There are several alternative models for contracted pipeline that staff has examined and taken steps for:

- Negotiated bids* –The District's status as a county water district does not require award of contracts to the lowest responsible bidder, the District may negotiate bids received. This option was not previously exercised.
- Progressive design build or design build* (DB) – Design build can be a more economic and modular project delivery model. Recent regulations and recent growth in staff capacity and capability positioned the District to pursue this model. Based on the progressive design build model, which is to progress by designing and building, initial proposals only include the cost of the design. When the design is complete, the DB team provides the cost for construction. The District would have the opportunity to continue with construction and the DB team.

A request for proposals was released for progressive design build, and two proposals were received. Staff is prepared to negotiate with one bidder from this process – Sukut Construction.

Staff also initiated discussions with several contractors for design-build (as opposed to progressive) and is prepared to negotiate with one bidder from this process – W.A. Rasic Construction. This firm provided a bid for design and construction.

There are a number of complexities with variables such as cost, contractor expertise, risk associated with timely project delivery, change orders, etc. Based on this, staff is requesting that the Board provide the General Manager with authority to negotiate pipeline replacement contracts with both contractors to achieve the appropriate balance of cost, project delivery timing, quality, and lineal feet completed.

Staff will provide a summary of proposal specifics during the Board meeting.

RECOMMENDATION

Staff recommends that the Board authorize the General Manager to negotiate pipeline replacement contracts with Sukut Construction and W.A. Rasic Construction for contracts within the budgeted amount.

Prepared and Submitted by:



James Lee
General Manager

Attachment(s): none