

CRESCENTA VALLEY WATER DISTRICT

BOARD OF DIRECTORS - STAFF REPORT

Action Item No. 4
November 18, 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 award pipeline replacement contracts with: 1) Sukut Construction for \$880,668 for the design portion of a progressive design-build contract; 2) W.A. Rasic Construction for a time-and-materials contract for design and construction for an amount not to exceed \$4,021,472; and 3) to find the W.A. Rasic Construction contracted pipeline replacement statutorily exempt from the California Environmental Quality Act ("CEQA") pursuant to Public Resources Code section 21080.21. CEQA review for the Sukut Construction design portion will be completed upon final design.

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 proposing to award 1) a progressive design build contract to Sukut Construction to include the Foothill and Montrose portions of the project (approx. 11,000 LF of pipeline) and 2) a time and materials contract to W.A. Rasic Construction for the Henrietta/Cloud portion of the project (approx. 4,350 LF of pipeline).

RECOMMENDATION

Staff recommends that the Board authorize the General Manager to enter contracts with 1) Sukut Construction for \$880,668 for the design portion of a progressive design-build contract, 2) W.A. Rasic Construction for a time and material contract for design and construction for an amount not to exceed \$4,021,47; and 3) to find the W.A. Rasic Construction contracted pipeline replacement statutorily exempt under Public Resources Code section 21080.21.

Prepared by:



Carla Dillon, P.E.
Director of Engineering & Operations

Submitted by:



James Lee
General Manager

Attachment(s): none