



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: November 19, 2024

DATE: October 18, 2024

TO: Board of County Commissioners

FROM: Dwayne Smith, P.E., Division Director, Engineering and Capital Projects
Community Services Dept., 775-328-2043, desmith@washoecounty.gov

THROUGH: Eric Crump, Director,
Community Services Dept., 775-328-3625, ecrump@washoecounty.gov

SUBJECT: Recommendation to authorize Plenium Builders, Inc., the project Construction-Manager-At-Risk, and approve Guaranteed Maximum Price #1 Agreement for the Northern Nevada Public Health Tuberculosis Clinic Project, [in the amount not to exceed \$8,278,961.00]. Pursuant to NRS 338.1685 to NRS 338.16995, the selection and award for contracts involving Construction Managers at Risk are exempt from the competitive bidding process. The new Northern Nevada Public Health Tuberculosis Clinic Project includes construction of a new 7,800 square foot single story structure at 1240 E. 9th Street in Reno, Nevada which will provide new exam rooms, offices and other necessary infrastructure improvements to support these functions for Northern Nevada Public Health. Budget for the Guaranteed Maximum Price Agreement #1 construction agreement has been previously approved. Work is anticipated to commence on or about December 9, 2024. Community Services. (Commission District 3.) FOR POSSIBLE ACTION.

SUMMARY

The Community Services Department Engineering and Capital Projects Division is requesting the Washoe County Board of County Commissioners (Board) authorize Plenium Builders, Inc. as the project Construction-Manager-At-Risk (CMAR), and approve Guaranteed Maximum Price Agreement GMP #1 (GMP #1), to construct the new Northern Nevada Public Health Tuberculosis Clinic. The new Northern Nevada Public Health Tuberculosis (TB) Clinic Project, located at 1240 E. 9th Street, supports the Northern Nevada Public Health (NNPH) approach for TB response and health needs in the region. The Project is funded through a federal grant, accepted by the NNPH Board on June 22, 2023, and approved by the Board on October 17, 2023, assigning responsibility for grant award and management to Washoe County.

Authorization of the GMP #1 Agreement will direct the CMAR to begin work on the TB Clinic building under the negotiated project schedule and cost structure. GMP #1 includes General Conditions, Owner and CMAR contingency, as well as CMAR profit

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and associated construction bonds and insurance. GMP #1 represents the maximum price for the construction of this project.

Plenium Builders was selected for CMAR Pre-Construction Services on March 14, 2024, through a competitive CMAR RFP process and has participated in the development of the project through a pre-construction agreement, authorized by the Washoe County Purchasing and Contracts Manager on April 10th, 2024, in the amount of \$20,190.00.

Staff has verified in the System for Award Management Exclusions that no bidder is excluded from receiving federal government contracts as a result of being debarred; thus, none of the bidders is prohibited by NRS 338.017(2) from being awarded a public works contract.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability: Long-term sustainability.

PREVIOUS ACTION

On May 28, 2024, the Board approved an Agreement for Services between Washoe County and H&K Architects for the Northern Nevada Public Health Tuberculosis (TB) Clinic project [in the amount of \$515,000.00], commencing on June 1, 2024, for architectural and engineering design services necessary to support the project. These services include architecture and interior design, civil, mechanical, electrical, and structural engineering design along with engineering bid support services and engineering construction administration.

On October 17, 2023, the Board approved budget amendments and the necessary net-zero, cross-fund budget appropriation transfers to the Community Services Department (CSD) for the design and construction of the TB Clinic. This approval included an increase of \$10,000,000.00 in both revenue and expenditures to the State of Nevada Department of Health and Human Services, Division of Public & Behavioral Health TB Clinic Grant, retroactive to July 1, 2023, through December 31, 2026.

On June 22, 2023, the District Board of Health accepted the Notice of Subaward from the State of Nevada Department of Health and Human Services, Division of Public & Behavioral Health for the period July 1, 2023 through December 31, 2026 in the total amount of \$10,000,000 (no match required) in support of the design and construction of a Tuberculosis (TB) Clinic, and other public health or community and clinical health services offices to serve the residents of Washoe County.

BACKGROUND

Northern Nevada Public Health (NNPH) investigates and treats community members with active and latent Tuberculosis (TB) in our community free of charge. TB is a communicable disease with deadly consequences if left untreated. The current TB Clinic is in a constant state of repair requiring ongoing maintenance. This grant was secured to construct a TB Clinic that meets all needs to provide appropriate clinical services, to include negative air pressure exam rooms, appropriate lab and specimen collection locations, waiting rooms, and staff offices and meeting rooms.

On September 24, 2024, the CMAR received sub-contractor bids for all sub-contractor work packages drawn from a list of pre-approved sub-contractors and vendors. The CMAR provided transparent access to all bids and is awarding the various work packages to the appropriate responsive and responsible bidders. Washoe County participated in scope clarifications and negotiations with the sub-contractors and those work elements with associated costs were incorporated into the CMAR’s Guaranteed Maximum Price Agreement.

The following table breaks out the various cost items for GMP #1, including both Washoe County’s and the CMAR’s contingencies and allowances. Owner allowances and contingencies are included in the event additional scope items need to be added to the project or to support changes to specifications. Owner contingency is included in the event there are changed site conditions discovered during work and these funds may be used should actual costs exceed the programmed amount. Other items identified are the CMAR general conditions costs, costs incurred to manage and support the work as well as the CMAR profit. Also identified are the Project insurance and bond costs.

Northern Nevada Public Health Tuberculosis Clinic Project – GMP #1	
Cost of the Work (excluding General Conditions)	\$6,315,741.00
CMAR’s General Conditions Cost	\$1,047,205.00
Negotiated CMAR Fee (Profit and Overhead)	\$261,320.00
Builders Risk	\$62,092.00
General Liability	\$74,677.00
P & P Bond NV	\$42,680.00
CMAR’s Contingency 3%	\$234,111.00
Owner’s Contingency 3%	\$241,135.00
Total Guaranteed Maximum Price (GMP)	\$8,278,961.00

FISCAL IMPACT

Sufficient budget authority exists in the FY25 Budget in the Capital Improvement Fund (402) in the TB Clinic project (PW920604).

RECOMMENDATION

It is recommended the Board of County Commissioners authorize Plenum Builders, Inc., the project Construction-Manager-At-Risk, and approve Guaranteed Maximum Price #1 Agreement for the Northern Nevada Public Health Tuberculosis Clinic Project, [in the amount not to exceed \$8,278,961.00]. Pursuant to NRS 338.1685 to NRS 338.16995, the selection and award for contracts involving Construction Managers at Risk are exempt from the competitive bidding process. The new Northern Nevada Public Health Tuberculosis Clinic Project includes construction of a new 7,800 square foot single story structure at 1240 E. 9th Street in Reno, Nevada which will provide new exam rooms, offices and other necessary infrastructure improvements to support these functions for Northern Nevada Public Health. Budget for the Guaranteed Maximum Price Agreement #1 construction agreement has been previously approved. Work is anticipated to commence on or about December 9, 2024.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "Move to authorize Plenium Builders, Inc., the project Construction-Manager-At-Risk, and approve Guaranteed Maximum Price #1 Agreement for the Northern Nevada Public Health Tuberculosis Clinic Project, [in the amount not to exceed \$8,278,961.00]. Pursuant to NRS 338.1685 to NRS 338.16995, the selection and award for contracts involving Construction Managers at Risk are exempt from the competitive bidding process. The new Northern Nevada Public Health Tuberculosis Clinic Project includes construction of a new 7,800 square foot single story structure at 1240 E. 9th Street in Reno, Nevada which will provide new exam rooms, offices and other necessary infrastructure improvements to support these functions for Northern Nevada Public Health. Budget for the Guaranteed Maximum Price Agreement #1 construction agreement has been previously approved. Work is anticipated to commence on or about December 9, 2024."