



**AGENDA AND MEETING NOTICE
OF THE NORTH TAHOE PUBLIC UTILITY DISTRICT
DEVELOPMENT AND PLANNING COMMITTEE**

Monday, July 13, 2026 at 1:30 p.m.

**North Tahoe Public Utility District
Administrative Offices
875 National Avenue
Tahoe Vista, CA 96148**

Welcome to a meeting of the North Tahoe Public Utility District
Development & Planning Committee

A meeting of the North Tahoe Public Utility District Development & Planning Committee will be held on Monday, July 13, 2026, at 1:30 p.m. at the North Tahoe Public Utility District Administrative Offices, 875 National Ave. Tahoe Vista, CA 96148

The District welcomes you to its meetings. Your opinions and suggestions are encouraged. The meeting is accessible to people with disabilities. In compliance with Section 202 of the Americans with Disabilities Act of 1990 and in compliance with the Ralph M. Brown Act, anyone requiring reasonable accommodation to participate in the meeting should contact the North Tahoe Public Utility District office at (530) 546-4212, at least two days prior to the meeting.

All written public comments received by 12:30 p.m. on Monday, July 13, 2026 will be distributed to the District Board Committee Members for their consideration at the meeting. Written comments may be emailed to mmoga@ntpud.org, mailed or dropped-off at NTPUD's Administrative Offices located at 875 National Ave., Tahoe Vista, CA. 96148.

1. CALL TO ORDER

- 2. PUBLIC COMMENT** – *Any person wishing to address the Development & Planning on Items on the agenda or matters of interest to the District not listed elsewhere on the agenda may do so at this time. Please limit comments and questions to three (3) minutes since no action can be taken on items presented under Public Comment.*

3. TOPICS OF DISCUSSION

- a. Review and Discuss Authorize the General Manager to File a Notice of Completion for the Speckled Avenue Water Service Line Replacement and Pressure Reducing Valve Project – Recommendation to Full Board (*Pages 2-3*)
- b. Review and Discuss Possibly Adopting Resolution 2026-14, Adopting a Conflict of Interest Policy Covering Construction Manager/General Contractor Project Delivery Method for National Avenue Water Treatment Plant Capital Improvement Project – Recommendation to Full Board (*Pages 4-25*)

4. ADJOURNMENT



**NORTH TAHOE
PUBLIC UTILITY DISTRICT**

DATE: July 14, 2026

ITEM: F-3

FROM: Planning and Engineering Department

SUBJECT: Authorize the General Manager to File a Notice of Completion for the Speckled Avenue Water Service Line Replacement and Pressure Reducing Valve Project

RECOMMENDATION:

Authorize the General Manager to file a Notice of Completion for the Speckled Avenue Water Service Line Replacement and Pressure Reducing Valve Project (Projects #2662 and 2664).

DISCUSSION:

At the August 12, 2025 meeting, the Board of Directors awarded a contract in the amount of \$411,600 to Green Bear Construction, Inc for the Speckled Avenue Water Service Line Replacement and Pressure Reducing Valve Project. The project was completed on June 12, 2026. The following table is a summary of the Construction Phase Project finances.

Construction Project Budget:	
Speckled Avenue Water Service Line Replacement and Pressure Reducing Valve Project	\$ 475,000
Construction Project Expenses:	
Awarded Contract	\$ 411,600
Contract Change Orders	\$ 36,275
Geotechnical Testing (NV5)	\$2,000
NTPUD Staff Time (Construction Phase)	\$ 30,000
Estimated Total Construction Expenses	\$ 479,875
Estimated Construction Budget Summary	(\$4,875)

The Construction phase expenses for this project came in over budget by \$4,875. There are adequate savings in the Water Fiscal Year (FY) 2025/26 Capital Budget to offset the \$4,875 project budget exceedance.

FISCAL ANALYSIS:

The approved FY 2025/26 Capital Budget includes \$375,000 for Speckled Services Replacements and \$100,000 for Zone 2 to Zone 1 Pressure Reducing Valve Connection in the Water Fund for a total budget of \$475,000. The project construction phase costs are \$479,875. Overall, the project is \$4,875 over budget. The project is complete and will be closed with the final retention release and payment of any remaining consultant invoices.

The District received a \$50,000 grant for this project. The budgetary impact to the District of the proposed project is summarized in the table below:


Item	Amount
Construction Phase Costs	\$ 479,875
Placer County Water Agency (PCWA) Grant	(\$ 50,000)
Total District Expense for Construction	\$ 429,875


STRATEGIC PLAN ALIGNMENT:

Goal 1: Provide safe, efficient, sustainable water and wastewater services with a focus on industry best practices and continuous improvement – Objective B: Optimize preventative maintenance of District utility system assets; and Objective D: Prioritize Capital Project planning and delivery toward uniform service using industry standards, asset condition data, and a focus on climate resilience and emergency preparedness.

MOTION: Approve Staff Recommendation.

REVIEW TRACKING:

Submitted By: 
Joseph J. Pomroy, P.E.
Engineering & Operations Manager

Approved By: 
Bradley A. Johnson, P.E.
General Manager/CEO

Reviewed By: 
Patrick Grimes
Chief Financial Officer



**NORTH TAHOE
PUBLIC UTILITY DISTRICT**

DATE: July 14, 2026

ITEM: G-2

FROM: Planning and Engineering Department

SUBJECT: Receive Presentation and Possibly Adopt Resolution 2026-14, Adopting a Conflict of Interest Policy Covering Construction Manager/General Contractor Project Delivery Projects and Approving Utilization of Construction Manager/General Contractor Project Delivery Method for the National Avenue Water Treatment Plant Capital Improvement Project

RECOMMENDATION:

Receive Presentation and Possibly Adopt Resolution 2026-14, Adopting a Conflict of Interest Policy Covering Construction Manager/General Contractor Project Delivery Projects and Approving Utilization of Construction Manager/General Contractor Project Delivery Method for the National Avenue Water Treatment Plant Capital Improvement Project.

DISCUSSION:

Senate Bill (SB) 598, approved on October 11, 2025, and effective January 1, 2026, will implement processes to streamline local agency water infrastructure projects by expanding the use of the Construction Manager/General Contractor project delivery method. SB 598 authorizes certain local agencies to use the Construction Manager/General Contractor (CM/GC) project delivery method for eligible water infrastructure projects intended to address water supply shortages attributable to ongoing drought, climate change, or related environmental factors.

Currently, Public Contract Code section 21568.1 authorizes the Metropolitan Water District of Southern California to use the CM/GC method for regional recycled water projects and other water infrastructure projects under specified conditions. SB 598 extends similar procedures to other eligible local agencies.

CM/GC is an alternative to traditional design-bid-build procurement. Under CM/GC, a construction manager provides preconstruction services during the design phase—including input on scheduling, pricing, phasing, and constructability. If the parties successfully negotiate pricing and the project design is sufficiently developed, the local agency may award the construction contract to the construction manager, which then serves as the general contractor. The local agency is not required to proceed to the construction phase.

Specifically, SB 598:

- Allows cities, counties, and special districts authorized by law to provide for the production, storage, supply, treatment, or distribution of water from any source to use the CM/GC project delivery method.
- Applies to the construction of recycled water facilities or other water infrastructure designed to alleviate water shortages attributable to drought, climate change, or other environmental factors.
- Limits each agency to 15 capital outlay projects. The authority sunsets on January 1, 2031, but contracts entered into before that date may continue through completion.
- Requires an enforceable commitment that the construction manager and its subcontractors will use a skilled and trained workforce, unless a project labor agreement applies (see Public Contract Code section 21568.6 for requirements and exceptions).

SB 598 is intended to expand delivery options for qualifying local water infrastructure projects. Potential benefits may include earlier contractor input during design, improved cost and schedule certainty, and reduced delivery risks.

A presentation will be provided explaining the Construction Manager/General Contractor project delivery method. This project delivery method is well-suited for the National Avenue Water Treatment Plant Improvements Project given the project's complexity and operational impacts. Following the presentation, the Board will consider possibly adopting Resolution 2026-14 which establishes a District conflict of interest policy specifically for CM/GC projects and in accordance with California law.

Staff recommends the use of the Construction Manager/General Contractor project delivery method for the National Avenue Water Treatment Plant Improvements Project. The National Avenue Water Treatment Plant (NAWTP) provides the primary source of potable water to the District's Tahoe Main water system and directly alleviates water shortages attributable to drought, climate change, or other environmental factors. The NAWTP meets Federal and California drinking water regulations and operates under the Surface Water Treatment Rule Filtration Avoidance Criteria and operates under Water Supply Permit No. 01-09-05-PER-014. Filtration avoidance permits are only provided to water systems where the source water is of exceptional quality and traditional filtration would not improve the water quality. There are 54,000 public water systems in the United States and there are only 60 filtration avoidance permits that have been issued and six of those are at Lake Tahoe.

The NAWTP, in its current configuration, was constructed and placed into service in November 2002. The NAWTP meets the filtration avoidance criteria by addressing pathogens that may be present in the water, but are not physically filtered from the raw water, by inactivation via multiple disinfectant barriers. At the NAWTP, the primary disinfection barrier is chlorine, and the second disinfection barrier is Ultraviolet (UV) disinfection. Combined, these two processes ensure inactivation of viruses, Giardia, and Cryptosporidium in conformance with Federal and California drinking water regulations.

The NAWTP project scope for engineering design includes the complete replacement of UV disinfection equipment, which is at the end of its useful life, evaluation of the sodium hypochlorite disinfection equipment, full replacement of the end-of-life control system, electrical equipment, and motor control centers. The detailed tasks include soliciting a quote

from the selected UV technology vendor for the procurement of UV equipment, reviewing the vendor documentation, coordinating network and control integration, updating control diagrams and I/O lists, and defining data exchange and cybersecurity measures for seamless UV system incorporation. The improvements also include physical security improvements, minor seismic and structural improvements, design to replace the existing motor control center including five motor starters, two VFDs, and other associated mechanical and electrical work.

If the Board agrees with moving forward with the CM/GC project delivery method for the National Avenue Water Treatment Plan Improvements Project and adopts Resolution 2026-14, staff will proceed with the completion of engineering design for the project in a manner that is tailored for CM/GC.

FISCAL ANALYSIS:

This project is included in the Fiscal Year 2026/27 Capital Budget for the Water Fund as National Ave Water Treatment Plant Equipment Assessment and Recommendations Study, Project # 2464 with a total available budget of \$400,000.

STRATEGIC PLAN ALIGNMENT:

Goal 1: Provide safe, efficient, sustainable water and wastewater services focusing on industry best practices and continuous improvement – Objective B: Optimize preventative maintenance of District utility system assets – Tactic 1: Continue corrective maintenance to improve system reliability – Activity a: Inspect and repair water systems asset deficiencies.



ATTACHMENTS:

- Construction Manager/General Contractor Delivery Method Presentation
- Resolution 2026-14 – Adopting a Conflict of Interest Policy Covering Construction Manager/General Contractor Project Delivery Projects and Approving Utilization of Construction Manager/General Contractor Project Delivery Method

MOTION:

Approve Staff Recommendation

REVIEW TRACKING:

Submitted By:  Approved By: 
Joseph J. Pomroy, P.E. Bradley A. Johnson, P.E.
Engineering and Operations Manager General Manager/CEO

Reviewed By: 
Patrick Grimes
Chief Financial Officer

Public Works Project Delivery Methods

Board of Directors Meeting

July 14, 2026



Project Delivery Methods

- Traditional Design – Bid – Build
- How does NTPUD execute Design – Bid – Build
- Project Delivery Methods & why might you choose one
- Construction Manager General Contractor (CM/GC) Method
 - Overview
 - Role of CM/GC, Construction Phase and Guaranteed Maximum Price Packages
- California approves CM/GC Jan 1, 2026
- Why is NAWTP a good fit for CM/GC
- Next Steps

Traditional Design-Bid-Build

- Owner Hires design engineer to prepare project plans and specifications
- Project is Advertised to all Licensed Contractors
- Project awarded to Lowest Price Qualified Contractor
- Owner Manages Construction to ensure contractor builds per plans
- Benefits
 - Owner control of the design process
 - Competitive pricing through bidding
 - Cost certainty after opening bids
 - Roles clearly defined between Contractor and Owner
- Challenges
 - Long project delivery timelines for specialty equipment
 - Risk of Change Orders
 - Natural adversarial relationships
 - Limited opportunities for alternative methods or “Value” engineering
 - Contractor selection based only on price with no opportunity to evaluate experience or expertise

NTPUD Public Project Bidding

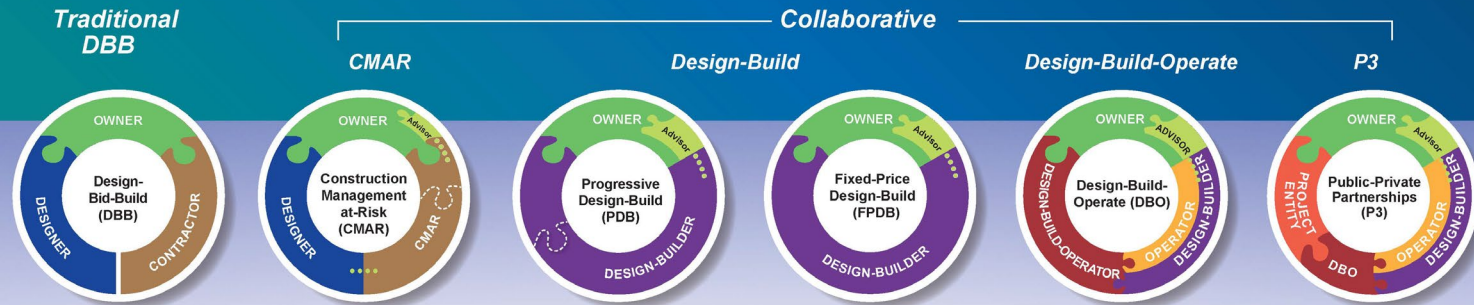
Follows California Public Contract Code

Capital Projects > \$220,000 (UPCCAA < \$220,000)

- Board Approval of Engineering/Architect Scope of Work
- Prepare Engineering Contract Documents
- Advertise for Bids, pre-bid meeting and public opening of bids
- Board Contract awarded on price to lowest qualified bidder
- Construction phase, 6 -18 months
- Notice of Completion and project close out

Available Project Delivery Methods

Spectrum of Collaborative Delivery Methods

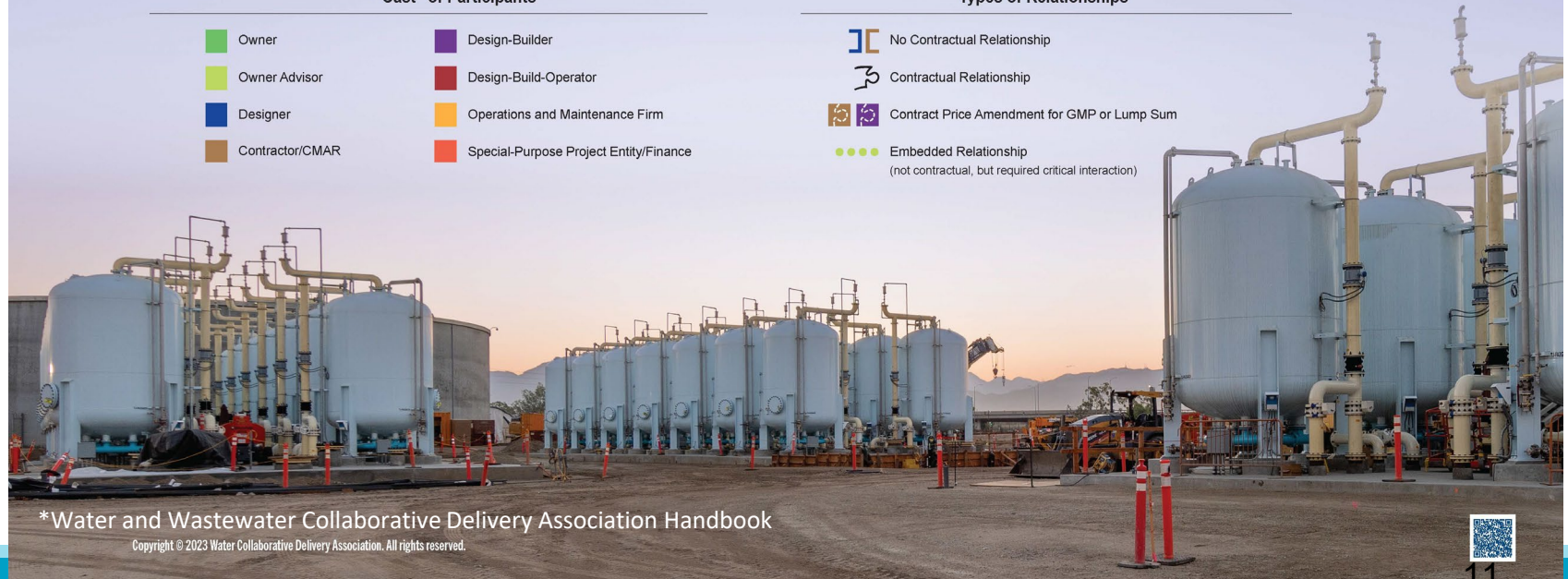


"Cast" of Participants

- Owner
- Owner Advisor
- Designer
- Contractor/CMAR
- Design-Builder
- Design-Build-Operator
- Operations and Maintenance Firm
- Special-Purpose Project Entity/Finance

Types of Relationships

- No Contractual Relationship
- Contractual Relationship
- Contract Price Amendment for GMP or Lump Sum
- Embedded Relationship (not contractual, but required critical interaction)



When to Consider Alternative Project Delivery Methods

- There is a broad range of project delivery and ownership methods
- Alternative Methods are not necessarily the right answer for every project
- Key Project Delivery Questions to Consider
 - Schedule – How can procurement be modified to meet needs
 - Contractor Selection Process – How important is experience
 - Price Certainty – Is this the driver? What about Best-Value? Life Cycle Costs?
 - Risk Assignment – Shared or 100% contractor responsibility
 - Potential for Innovation
 - Complexity of the project

Construction Manager General Contractor

- Construction Manager General Contractor (CM/GC) = Construction Manager at Risk (CMAR)
- District first selects designer and proceeds through early phases of design
- Staff issues a request for proposals for qualified contractors
- Board awards CM/GC contract for best qualified contractor to complete design phase/preconstruction services
- District has contracts with Designer and Contractor simultaneously
- Engagement of designer and contractor is critical in design phase
- Collaboration is key to success

CM/GC Role

- What is the role of the Contractor in CM/GC
- Provides valuable input in design phase on:
 - Constructability of Improvements
 - Impacts of site layout and constraints
 - Identification of risk
 - Technical requirements
 - Identification of long lead procurement items
 - Schedule
 - Cost estimates
 - Identify efficiencies and cost savings during design
- Collaboration between Owner/Designer/CMGC
 - Increases budget certainty
 - Decrease constructability risks

Construction Phase - CM to GC

- Contractor transitions from Construction Manager to General Contractor
- Engagement in equipment selection and purchase
- Pre-selection of specialty subs (ex: system integrator)
- Development of Guaranteed Maximum Price Packages
- Preparation of sequencing and scheduling
- Identifying constructability and value engineering opportunities
- Construct Improvements

Guaranteed Maximum Price Packages

- Establish a cost of work based on defined scope – Open book method
 - Construction Labor
 - Materials
 - Construction Equipment
 - Overhead Costs
 - Contingency Allowances
 - Incentives/Shared savings
- Multiple Price Packages can be negotiated as design progresses
- Require cost reconciliation between owner/designer and CM/GC
- Designer and contractor team up to eliminate typical allowances
- Designer and contractor address code compliance together
- Means and methods defined early

CM/GC in California

- State Approved CM/GC per Senate Bill 598, effective Jan 1, 2026
- SB 598 is intended to expand delivery options for qualifying local water infrastructure projects.
- What are Qualifying Local Water Infrastructure Project?
 - Applies to the construction of recycled water facilities or other water infrastructure designed to alleviate water shortages attributable to drought, climate change, or other environmental factors.
 - Limits each agency to 15 capital outlay projects. The authority sunsets on January 1, 2031
 - Requires an enforceable commitment that the construction manager and its subcontractors will use a skilled and trained workforce

Why CM/GC for the NAWTP Project?

- National Avenue Water Treatment Plant Project (NAWTP)
 - Replacement of UV Disinfection and all Electrical and Controls
 - Contractor Experience is Critical
 - NAWTP is Filtration Exempt Facility, 1 of 60 in U.S. (54,000 water systems in the U.S.)
 - Significant operational impacts – NAWTP can only be out of service for limited period
 - Long lead procurement of Electrical and Controls equipment
 - Construction sequencing is key to success – Collaborative process for execution to minimize impacts and work in very limited space

CM/GC next Steps

- Board Approval of Resolution adopting conflict of interest policy required to use CM/GC for qualifying local water infrastructure projects
- Staff and Design Consultant continue engineering design in alignment with the CM/GC project delivery method
- Staff issues request for proposals for qualified contractors
- Board awards contracts
 - Design Consultant and CM/GC contracts through final design/pre-construction phase
- Final design and pre-construction phase completed
- Board Awards Guaranteed Maximum Price Construction and Procurement Contract(s)
- Construction Execution

**RESOLUTION NO. 2026-14
RESOLUTION OF THE BOARD OF DIRECTORS
OF THE NORTH TAHOE PUBLIC UTILITY DISTRICT
ADOPTING A CONFLICT OF INTEREST POLICY COVERING CONSTRUCTION
MANAGER/GENERAL CONTRACTOR PROJECT DELIVERY PROJECTS AND
APPROVING UTILIZATION OF CONSTRUCTION MANAGER/GENERAL
CONTRACTOR PROJECT DELIVERY PROJECT METHOD**

WHEREAS, North Tahoe Public Utility District (“District”) desires to contract for Construction Manager/General Contractor Project Delivery construction projects pursuant to the authority of section 22199.5 et seq. of the Public Contract Code (“CM Statute”); and

WHEREAS, section 22199.6 of the Public Contract Code requires a local agency contracting under the CM Statute to comply with the procedures described in Sections 21568.5 to 21568.10, inclusive, of the Public Contract Code; and

WHEREAS, section 21568.10 of the Public Contract Code requires a local agency contracting thereunder to adopt “a standard organizational conflict-of-interest policy, consistent with applicable law, regarding the ability of a person or entity that performs services for the district relating to the solicitation to submit a proposal (“Conflict of Interest Policy Requirement”); and

WHEREAS, the purpose of this Resolution is to comply with the Conflict of Interest Policy Requirement; and

NOW THEREFORE, be it resolved by the Board of Directors of the North Tahoe Public Utility District:

1. The Construction Manager/General Contractor Project Delivery Conflict of Interest Policy, Number ENG-009, attached as Exhibit A, is hereby adopted.
2. The Board of Directors hereby approves the use of the Construction Manager/General Contractor Project Delivery Method authorized by section 22199.5 et seq. of the Public Contract Code.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE NORTH TAHOE PUBLIC UTILITY DISTRICT THIS 14th DAY OF JULY 2026, BY THE FOLLOWING ROLL CALL VOTE:

**AYES:
NOES:
ABSENT:
ABSTAIN:**

**Sue Daniels, President
Board of Directors**

ATTEST:

**Bradley A. Johnson, P.E.
General Manager/CEO**

EXHIBIT A



NORTH TAHOE PUBLIC UTILITY DISTRICT

POLICY:	NUMBER: ENG-009
<u>Construction Manager/General Contractor Project Delivery</u>	EFFECTIVE: JULY 14, 2026
<u>Conflict of Interest Policy</u>	REVISED:
	RESPONSIBLE PERSON: UOM

PURPOSE:

The purpose of this document is to clarify the North Tahoe Public Utility District's ("District") position on potential conflicts-of-interest that may arise when consultants or contractors (collectively, "Proposer") perform work for the District relating to Construction Manager/General Contractor Project Delivery construction projects (together, a "CM Project").

Organizational conflicts-of-interest can occur when, because of existing or planned activities or because of relationships with other entities, a Proposer is unable or potentially unable to render impartial assistance or advise the District; a Proposer's objectivity in performing the contract work is or might be otherwise impaired; or a Proposer has an unfair competitive advantage.

The policies and guidelines concerning the organizational conflicts-of-interest found herein may be specified or referenced in the Request for Qualifications ("RFQ") and/or Request for Proposal ("RFP") documents for a CM Project as well as any contract for the engineering/design services, inspection, or technical support in the administration of a CM Project.

Resolution of conflict-of-interest issues is ultimately at the sole discretion of the District. District reserves the right to cancel or amend the resulting contract(s) if a successful Proposer failed to disclose a potential conflict, which it knew or should have known about, or if a Proposer provided information in response to an inquiry from the District that is false or misleading.

After award, conflict-of-interest guidelines and policies shall continue to be monitored and enforced. If an organizational conflict-of-interest is discovered after award, the Proposer will make an immediate and full written disclosure to the District that includes a description of the action that the Proposer has taken or proposes to take to avoid or mitigate such conflicts. If an organizational conflict-of-interest is determined to exist and the Proposer was aware of an organizational conflict-of-interest prior to award of the contract and did not disclose the conflict-of-interest, the District may terminate the contract with the Proposer for material breach. If the Proposer is terminated, the District assumes no obligations, responsibilities and liabilities to reimburse all or part of the costs incurred or alleged to have been incurred by the Proposer.

APPROACH

The following approach to conflict-of-interest will apply to District procurements relating to a CM Project:

- I. A potential Proposer will not be allowed to participate as a construction-manager entity or to join a construction-manager team if, without limitation, any of the following is true:
 - A. Proposer is the District's design consultant, owner's representative, or otherwise providing contractual services on the CM Project.
 - B. Proposer is assisting in the procurement and/or management of the CM Project, including the preparation of the RFQ and/or RFP language or evaluation criteria.
 - C. Proposer has performed work on a previous contract that specifically excludes them from participating as a construction-manager entity or joining a construction-manager team on the CM Project.
 - D. Proposer is under contract with any other entity or stakeholder to perform oversight on the CM Project.
 - E. Proposer would violate applicable federal and state conflict-of-interest rules and regulations by participating as a construction-manager entity or joining a construction-manager team.
- II. Proposers who may have potential conflicts-of-interest in relation to a CM Project and wish to participate as a construction-manager entity or join a construction-manager team must:
 - A. Conform to applicable federal and state conflict-of-interest rules and regulations including, without limitation, the California Political Reform Act, California Government Code Section 1090, the federal Copeland "Anti-Kickback" Act and federal conflict-of-interest rules set forth in the federal funding agency's administrative grant and cooperative agreement regulations. Federal conflict-of-interest rules and regulations shall only apply where the CM Project receives federal funding.
 - B. Disclose all relevant facts relating to past, present or planned interest(s) of the Proposer's team (including the Proposer, Proposer's proposed consultants, contractors, subconsultants and/or subcontractors and their respective chief executives, directors and key personnel) which may result, or could be viewed as an organizational conflict-of-interest in connection with any CM Project procurement, including present or planned contractual or employment relationships with any current employee of the District.
 - C. Disclose in the response documents to an RFQ and/or RFP for a CM Project, all of the work performed in relation to the CM Project being procured under the RFQ and/or RFP, when requested.

- D. Provide all records of the work performed in relation to the CM Project to the District so that all information can be evaluated and made available to all potential construction-manager teams, if necessary.
- E. Ensure that the Proposer's contract with any entity to perform services related to the CM Project has expired or has been terminated.

Upon review of the information provided above, the District's General Manager will determine, in his or her sole discretion, if the Proposer has an organizational conflict-of-interest. Decisions of the District's General Manager regarding organizational conflicts-of-interest may be appealed to the District Board. The decision of the District Board shall be final with respect to the disposition of the organizational conflict-of-interest and non-appealable.

- III. For other potential conflicts-of-interest not mentioned above (e.g. employee changing companies, merger/acquisitions of firms, property ownership, business arrangements, financial interest), Proposers shall disclose and address any conflicts-of-interest or potential conflicts-of-interest when participating as a construction-manager entity or joining a construction-manager team. District will then determine if an organizational conflict-of-interest exists.
- IV. The successful Proposer or firms affiliated with the successful Proposer are prohibited from competing on any agreement to provide construction inspection services for the CM Project. An affiliated firm is one, which is subject to the control of the same persons, through joint ownership or otherwise. No subconsultants who are providing design services in connection with the CM Project shall be eligible to compete for any agreement with the District to provide construction inspection services for the CM Project.
- V. The forgoing shall not constitute a limitation on the obligations of the Proposer in relation to organizational conflicts-of-interest.