

SEWER & WATER COMMITTEE MEETING
APPROVED MINUTES

March 17, 2010

DIRECTORS PRESENT: Dan Wilkins, Erik Henrikson

STAFF PRESENT: Tony Laliotis, Director of Utilities
Matt Homolka, District Engineer
Coral Lochridge, Technical Services Supervisor
Doug Olsen, Utilities Superintendent
Carol Hackbarth, Administrative Secretary

PUBLIC PRESENT: Wally Auerbach, Auerbach Engineering

The meeting was called to order at 7:02 a.m. by Director Wilkins.

1. TECHNICAL CONSULTANT SELECTION POLICY

Mr. Homolka will rewrite some of the language for better clarity, including competitive bidding and costs.

Paragraph 6 – Wally Auerbach, Auerbach Engineering, said local consultant's want to do a great job. They have a higher interest in making sure they do a good job. Outside contractors – not so much.

Paragraph 10 – Mr. Homolka said we can write up possible exclusions to publically noticed meetings.

Paragraph 12 – Consultant performance review. Director Wilkins suggested this be done at the end of the season or project. Director Wilkins suggested Mr. Homolka present to the committee the pros and cons of working with the contractor. It can be just a discussion. Written reviews can be done on bigger projects. Mrs. Lochridge asked if the performance reviews would be public or private. They could be both.

Paragraph 14 – Contract amendments. Mr. Homolka said he would like to raise the threshold of \$10,000. Director Wilkins suggested a 15% contingency work scope amendment given to staff. Director Wilkins said our current purchasing procedure requires anything over \$10k to come to the board for approval. The 15% is intended for smaller items not the big ticket items. Those would be brought to the board. Director Wilkins suggested we move in that direction.

Selection Guidelines – Mr. Homolka asked if we should issue Request For Proposals (RFP's) or do something less formal. There was discussion on the contract value thresholds, \$100k versus \$150k for the top of the 2nd tier. Director Henrikson thinks \$100k and it would vary depending on the scope of work being done. Director Wilkins said this is a guideline and this document should reflect that.

Contract Administration: Contract Amendment procedures – Mr. Homolka said he is hearing a 10% contingency on the proposals that are coming in. 15% is a good number. Additional services are from design to construction stages or from Phase I to Phase II as examples. Additional Services – Director Wilkins wants the word will changed to may in the second paragraph.

Mr. Homolka reviewed what he would change based on the committee's suggestions.

2. 2010 CAPITAL AND ENGINEERING PROJECTS – CONSULTANT SELECTION APPROACH

Mr. Homolka reviewed the 2010 Capital and Engineering Projects with the Technical Consultant Selection approach. Mr. Homolka is asking for some agreement on the items on page 2-2. The other pages are back-up to page 2-2. In the first section the bold are staff's recommendations. (Tahoe Tavern Booster Rehabilitation needs another item under it – Geotechnical Testing). Director Wilkins likes the inspection team being different from the engineering team. Director Wilkins suggested we keep an eye out for retired people who want to work. Director Henrikson said he supports the recommendations for the first two projects.

The next items are more for notification – McKinney Estates Interconnection, Dollar 2 / Park Terrace Backup Power, and Seismic Analysis of Water Tanks (Phase II). Director Wilkins and Director Henrikson agreed with these.

Rubicon Water System Master Plan/Alt. Analysis – Director Henrikson has concerns. Mr. Homolka would prepare the scope of work for Ecologic and bring it to the full board for approval.

Highlands and District-wide Coverage Analysis – was taken off the list today. Mr. Homolka will bring it up at a later date.

Mr. Auerbach, Auerbach Engineering, commented on the number of consultants versus the number of projects and the effect on this may have on the level of service the District expects from the consultants. His concern is that our decisions are making an impact on his ability to provide the level of service he was able to provide in the past – when for example he would have been working on 6 of the 10 current projects versus 1. Mr. Homolka said this impacts us as well. There is a huge value in being the #1 client to a consultant and a huge difference in being the #10 client to a consultant. Mr. Homolka said what comes out of a master plan is a list of projects to design and build. With the water master plan Nolte & Associates is now in a better position to be in line to get those.

Mr. Homolka said now that he knows about the \$100k we can start to discuss how we are going to approach the next group of projects. Director Wilkins clarified that Mr. Homolka is looking for direction from them about whether to through a RFP or to come to them with staff's recommendation. Mr. Homolka added even how broad to look.

Mr. Homolka proposes to hire the same consultants for Four Seasons Tank Line Replacement and Woodview-Woodhill Water Main Connection and if permitting works out they would get built together. Since it is a very complicated project, Mr. Homolka prefers Auerbach Engineering. He will come back next month with recommendation for a consultant; no RFP. They are not deciding on a consultant today. Mrs. Lochridge said for this one she would recommend having the 15% contingency. Director Henrikson agreed.

Lower McKinney is a new project and not in the capital budget. Currently it is in the five-year plan for 2013. We are taking out Bunker Tank since it may not happen as planned. Director Henrikson confirmed that these are all design projects. Mr. Homolka agreed saying we are choosing design consultants. Lower McKinney project is similar to Lower Tahoe Tavern Heights, even simpler.

Bunker Tank – Director Wilkins said this should go through the RRP process because we have time and it is a \$200k design fee. The other 6 he suggests we do the recommendation.

West Shore Export-Truckee River crossing is more complicated. Mr. Homolka said we cannot use a local consultant. He wants to get an informal proposal from consultants then come to committee with a proposal. It is a design / build project. The difficulty we have is finding someone to put the RFP together and that doesn't preclude them from bidding on the project.

In review, next month Mr. Homolka will have four recommendations for the committee: 1) Four Seasons Tank line replacement and Woodview-Woodhill water main connection as one, 2) Lower McKinney water line replacement, 3) Dollar/Edgewater Sewer line reinforcement, and 3) Jackpine Street sewer line replacement. Hopefully he will have a draft RFP for Bunker Tank. Director Wilkins said he is ok with Mr. Homolka talking with local consultants, figuring out how to best distribute that work and coming back with recommendations. Director Wilkins and Director Henrikson are ok with staff putting out the board packet with the recommendations indicating that it hasn't been reviewed by the sewer and water committee but will be by the board meeting.

The last list is just for their knowledge for the future consideration.

3. MCKINNEY/QUAIL INTERIM WATER TREATMENT PLANT BACKWASH DISCHARGE

Director Wilkins summarized what he read in Mr. Laliotis' memorandum. Previous management staff possibly didn't want to deal with it. Mr. Laliotis has been working with Tahoe-Truckee Sanitation Agency (TTSA) over the year to come to a resolution. Director Henrikson wished he had known about this so he could have been advocating for the PUD. Director Henrikson thinks issues like these need to be brought to the whole board. Mr. Laliotis is meeting with Marsha Beals, General Manager from TTSA on the 30th. TTSA will probably prefer that we recycle the water. Options 1-3 serve the purpose of potentially eliminating connection fees and keeping TTSA from creating some kind of exception or saying no and us being stuck with connection fees on a parcel that we will probably never need them on. Director Wilkins clarified that options 2 & 3 are the conservations options we prefer.

4. PUBLIC FORUM

No public comment.

5. ADJOURNMENT The meeting was adjourned at 9:08 a.m.