

SEWER & WATER COMMITTEE MEETING
APPROVED MINUTES

November 8, 2012

DIRECTORS PRESENT: Dan Wilkins, Erik Henrikson

STAFF PRESENT: Cindy Gustafson, General Manager
Ramona Cruz, Director of Accounting & Employee Services/Treasurer
Kelli Twomey, Dir. Of Resource Dev. & Community Relations
Tony Laliotis, Director of Utilities
Matt Homolka, District Engineer
Jon LeRoy, Associate Engineer
Coral Lochridge, Technical Services Supervisor
Carol Hackbarth, Utilities Coordinator

PUBLIC PRESENT: None

The meeting was called to order at 7:05 a.m. by Director Henrikson.

Ms. Gustafson excused herself from the meeting until after Item 1 and 2.

1. West Lake Tahoe Regional Water Treatment Plant – Request for Proposal (RFP)

Mr. Homolka handed out a revised list on consultants related to the West Lake Tahoe Regional Water Treatment Plant project. Director Henrikson thinks this is awesome. Director Wilkins asked about cost proposal and scoping it through bidding. Mr. Homolka said he can put that in the RFP. In the past the project has stalled. Director Wilkins said we wouldn't have a RFP unless he wanted it to go through. He would like a "gut-check" point. Director Henrikson said we are building it for the future. Mr. Homolka said he will add it is contracted through 30% but to provide scope to building timeline. Director Henrikson is ok with it either way.

Mr. Homolka asked the committee if they wanted an open or closed process. Both directors would like an open process. Director Henrikson wants it local. Mr. Homolka said it is unlikely they will get the big part. They will probably be a subcontractor which is part of the proposal. It will be an open process and posted on the web site. There will be no advertising other than whoever is on the list.

2. 2013 Water and Sewer Capital Plan and Project Information Sheets

Mr. Homolka handed out the Water and Sewer Capital Plan & Project Information Sheets and a spreadsheet of the projects based on project stages. These are all capital projects that require project management. NA means it will be managed in house. Director Henrikson asked about the Lower Highlands tank modification and Mr. Laliotis explained.

Mr. Homolka said at the bottom he has consultant suggestions and he is asking for committee approval. Director Wilkins asked if this is too much for staff. Mr. Homolka explained the list order. After much discussion Directors Henrikson and Wilkins are okay with the selections, specifically Auerbach Engineering (AEC).

Mr. Homolka said he would ask the committee in the future when we do evaluate the next projects that they treat AEC on equal ground. AEC wouldn't want the \$5,000 projects if that is going to impact them getting the larger projects.

Ms. Gustafson joined meeting after Item 1 and Item 2, 8:06 a.m.

3. Director of Utilities Report

Mr. Laliotis noted that the water production is considerably higher than last year and discussion on reasons continued. Rocky Ridge tank is back online. Ms. Gustafson commended Mr. Laliotis on being proactive and coming in this last weekend for the repair work/site restoration on the road to the tank that was needed because of the early precipitation. We have completed the narrow-banding project with the SCADA system and are now in full compliance with FCC rules that go into effect Jan. 1, 2013.

Mr. Laliotis briefed the committee on the snow removal contract which is not on his report. He said several years ago when we developed the Memorandum Of Understanding (MOU) with Station 51 and North Tahoe Fire Department, two things came out of it regarding snow removal. One was the additional parking spaces that were created were their responsibility to remove snow. The second part was that we shall do a joint bid for all snow removal of the Fairway Community Center, our lower yard, our upper yard and the fire station.

We can use the extra parking spots. There was a trade off. We originally charged them money for snow removal for our yard for access to the gas in the back. The MOU called these things a wash. The fire department move snow in the new parking spots of which we get the benefit and we won't charge for snow removal to get access to the gas.

This year the fire department went out to bid for snow removal for this station and all the rest of their facilities in one lump sum. They did not include these parking spaces. Mr. Laliotis didn't catch it until after they opened the bid(s). They only receive one bid for this station. For whatever reason, the fire department didn't catch any of the MOU stipulations. They bid station 51 only and only received one bid. Mr. Laliotis informed them of the parking spaces and the joint bidding stipulations in the MOU. They talked about options, including the fire department trying to negotiate with their bidder to add these additional parking spaces or to go out to bid jointly. Initially they negotiated these 21 parking spots with their bidder. At some point they decided they didn't want to go that route. They called a meeting with us where we discussed going to bid jointly. Mr. Laliotis already had done the bid paperwork at that time for our properties; he just had to add their facilities as site locations. That went out to bid and was in the paper. Four bids were received. The bids ranged from approximately over \$40k to \$8,600. (\$40k from the company who got the transit center facility; Stuart Gensburg was about \$26k; Matty Daniels was about \$20k; and Junior's Excavating came in at \$8,600).

Mr. Laliotis continued that it was a legitimate bid. We met with Junior a couple days ago and went over the expectations. His insurance and everything is in line. His contractor's license is actually suspended because his worker's compensation insurance had expired. This has been renewed; we have proof of that. The state licensing board hasn't caught up with their internal database. Director Henrikson asked if we got hammered by the other bidders. Yes. The state licensing board cautions anyone to say that it is suspended but there may be a renewed policy and it just hasn't hit their system yet. Director Wilkins added since he has dealt a lot of with this business, the opinion is that you don't need a contractor's license to do snow removal. Mr. Laliotis said we have always required it.

Ms. Gustafson said the reason she asked Mr. Laliotis to brief the committee on it is because the second low bid is pretty frustrated and has done our snow removal for a long time. We were actually shocked on the bid. There a lot of games going on between the snow removal companies and we are caught in the middle. A lot of people are concerned about what Junior is doing. We have no track record to throw it out for performance issues with us directly. Mr. Laliotis said he asked Junior why so low. He said he bought a new loader, is trying to get work in Tahoe City, and wants to pay for his loader. As part of the bid but not part of the selection process, Mr. Laliotis asked for an hourly rate for on-call snow removal. Junior's hourly rate is \$85/hr. It's unfortunate; there are games going on. Director Wilkins said it may be fortunate if we get good snow removal for a good rate. We are being blamed for making the fire department bidding again. The fire department's original bid was \$8k.

Ms. Gustafson said Mike Schwartz, the new fire chief, called the meeting with us because Mr. Laliotis pointed out that we don't want two contractor's in here pointing fingers and painting lines like we just had to do at the golf course driveway. Mr. Schwartz said he thought the prices were too high. Director Wilkins said at the end of the day the fire department made a decision. Ms. Gustafson said we are being told that the fire department is throwing us under the bus. Mr. Laliotis again noted that he was very clear with Junior of the expectations and what is in the contract. Director Henrikson noted that Junior is clearing the Henrikson building for \$100 each time. Director Henrikson said he has spent 2.5 hours doing that site. As a note on the golf course situation, Matt Webb, surveyor, staked the golf course and the District drew lines on the pavement to solve the dispute between snow removal contractors there.

4. District Engineer's Report

No comment nor discussion.

5. Project Activity Report

No comment nor discussion.

6. Technical Services Report

No comment nor discussion.

7. GIS & Information Management Report

No comment nor discussion.

8. Public Forum

No public comment.

9. Adjournment

The meeting was adjourned at 8:32 a.m.

Carol Hackbarth, Utilities Coordinator