

Ponderosa Community Services District

Minutes of Special meeting
August 16, 2011

Present:

Directors: D. Doty, C. Marchant, B. Benton. Barbara Dolmovic, M. Moroney (arrived 3:15 pm)
Staff: J. Robertson

PER Selection Committee members present – Bill Dolmovic, J. Parminter
Members absent: D Lack, G Hammett, B Califf and R Flavin.

Guests: R Coffey

Engineers: Representing Provost & Prichard – Craig Wagner
Representing 4 Creeks – Matt Ainsley and David DeGroot

The meeting was called to order at 1:00 pm

New Business

The board met with water committee members to formulate questions to ask the representatives of the engineering firms that submitted bids on the proposed water system improvement project. There will be two interviews conducted today. A third interview will take place tomorrow (Wed. Aug 17 at 3:30 pm with Bill Roberts of Roberts Engineering).

Public Comments:

There were no public comments

Questions –

Do we (PCSD Board) have supreme say so on the selection of each contractor for each item of the project? [USDA has said we do]

Original PER, basically, kept water system in the same status – in doing our own homework, we think there may be better alternatives. Is the engineer willing to revisit assumptions of work needed to optimize the water system?

Will the plan include being complete before preventative snowfall – prior to Dec 1st (mid-Nov)

Once they (engineers) have presented 100% plan, can we (PCSD) at that point add to the plan if funding is available? [assuming that actual bids come in below currently projected amounts]

Will there be additional engineering costs once original project is complete (additional costs for additional work not part of original proposal)?

Is there a penalty clause if a contractor does not complete work by due date?

Do engineers realize it is easier to get equipment up to Ponderosa from Hot Springs than up Hwy 190? Engineers could be encouraged to seek information from knowledgeable local contractors/construction personnel to help with logistics for early spring start/late fall finish.

Request engineers to define categories – what each includes
Ex: construction services, post construction services, etc.

Interview begins at 2:10 pm
Craig Wagner representing engineering firm Provost & Pritchard

Bill D – before we ask specific questions, we request information on how you breakdown expenses

CW – preliminary phase – geo-tech survey for both tank sites
Design phase that will include all drawings
Clarification of specifications
Dealing with each prospect up and through bid date
Final design phase
There will be 30%, 60%, 100% plans; there is always room to add up until the actual bid

Comment – PCSD would like to stress hiring local help whenever possible
CW – bid specs can be written with 10% preference for local contractors

B Benton – If we (PCSD) decide to add to the project, would that cost more?
It looks to us that estimates were made to utilize \$800,000. We have found that actual costs could be as much as 50% less than listed in the PER. We are assuming the engineering will not cost more – obviously construction costs would be greater if [for instance] more pipe is replaced, but if the you (engineer) have to create additional drawings – does that cost us more?

CW – additions may incur some additional test fees (geo-tech). If bids are lower than projected (for ex: cost per foot to replace water mains) then additional piping replacement could be added. Ask contractor to pothole test areas of consideration. Engineer services could increase if additional work requires additional drawings – if the PCSD adds, another street there would likely be additional engineering services associated with request for additional work. Most of the fee is based on time needed to complete work, not on a percentage of the overall cost.

Comment – Is there a penalty written into the bid specifications? Will there be a start/finish date?

CW – the penalty usually ranges from \$250 to \$1000 per day for work not completed on time.

Comment – we (PCSD) suggest that contractors selected meet with local committee members for pertinent local information (season weather, typical conditions).

CW – There will be a pre-bid meeting. Contractors can walk through/drive through sites. It cannot be made mandatory for contractor to come. Once a contractor is selected, there will be a pre-construction meeting.

B Benton – which part of the overall project do you (engineer) think should be started first?

CW – Holby tank (leave one) then Summit, try to limit down time for water service. The SCADA system would be close to the last item. It is possible that it could begin being installed as other work is being done.

Bill D – we (PCSD) want a smaller SCADA system than what was listed in the PER. Are you willing to revisit the improvements that are recommended in the PER? We (PCSD) have rethought some items and think we have better alternatives or are we held to what you (engineer) listed in the PER?

CW – Since the USDA made the offer of funding based on the PER there are some things that must be done. The tanks and piping must be completed. There is a list of additional items included in the PER that can be done if funding allows. It also depends on the CEQA document. If is very specific, it limits what can be done. If it is more general, a case can be made that the additional work is covered in the current CEQA.

Question – For instance, could we (PCSD) request Holby tanks be removed completely and add a larger tank at Summit?

CW – that may require CEQA revision or amendment. The USDA would have to approve the dollar amount.

Question – would such changes be economically possible and would you (engineer) be willing to revisit original recommendations in PER?

CW – yes, however it could delay the project if CEQA needed revision instead of amendment.

C. Marchaunt – CEQA will be finalized between now and November meeting. Is there anything that will delay the project?

CW – only if someone challenges it (CEQA report). If something was not done correctly, either biologically or culturally.

Question – what is the sequence to select a contractor, how do you seek bids?

CW – because of USDA, bid specification must be written up for approved or equal vendors. The draft of bid specs will be run through the board. We (engineer) will go through bids, can create a spreadsheet, and show you a summary of qualified contractors. All contractors will have to submit licenses, proof of insurance and bonds. We will do background checks and make recommendations. PCSD and P&P will make recommendations to USDA. Public funds (USDA) require that lowest qualified bidder be selected.

C Marchaunt – In the project proposal, you reference CDPH (CA Dept of Public Health). We (PCSD) do not deal with CDPH.

Comment – The PCSD does not have direct contact with the CDPH but the relevant regulations are enforced through local County HHS

CW – one of the requirements SWPPP (Storm Water Pollution Prevention Plan) is required (\$5,000-\$7,000). This will ensure that no chemicals or other contaminants from the

construction project run off into local streams, or leach into ground water. SWPPP does require the contractor to have a QSP (qualified SWPPP person) and the engineer to provide a QSD (qualified SWPPP director)

If less than an acre of ground is involved in construction then a Dust Control Plan may not be required (aprox \$1500).

The board president expressed appreciation for Mr. Wagner coming to meet with the board and thanked him for his time.

The interview ended at 3:05 pm

A brief recess was called.

Board reconvened at 3:10

Director Mike Moroney arrived 3:15

Interview begins with Math Ainsley and David DeGroot representing 4 Creeks Engineering

Bill D – we have a few questions that relate to how we (PCSD) are going to work together. We feel strongly about selection of local contractors when possible. Do we have a say in the choice of contractors?

We have done our own homework and have found that cost estimates come in as much as 50% less than projections in the PER

Answer – USDA requires lowest bidder that meets requirements, bid spec could be written to encourage local contractors. When bid specs are ready to be sent out, we can notify local papers, and send directly to local contractors. Before the final choice of contractor, we can have a bid meeting with you (PCSD) – however the lowest bidder that meets qualifications will get the contract due to rules of Federal/State funding.

We will provide a bid list – bids will be apples to apples – everything will be even for all contractors.

B Benton – will PCSD board see all bids?

Answer – Bids are usually opened in public, with contractors present. If the lowest bidder has an error or incomplete paperwork, then we would move to the next lowest bidder. There are a half dozen prime contractors, they will have gotten sub-contractor bids and included that as part of their complete bid. The board will only really have a choice of the prime contractor. The prime contractor can be required to submit a list of all sub-contractors, the apparent low bidder can be told to change a sub-contractor.

Prior to bids, we can provide a pre-construction bid walk; at that point, the PCSD could make suggestions on subs.

Bill D – the PER maps out design plan. Are you willing to revisit the original PER and offer better ideas?

For example, if we (PCSD) choose to increase the size of the tank at Summit and completely remove the tanks at Holby?

Answer – depending on the final CEQA document. We would need to compare suggested changes to the CEQA, do the new plans still fall within the scope of the CEQA. It will depend on the vagueness of the document – if we are able to make the argument that the new plan is within the same scope.

The CEQA could be amended – it would have to go through the public notice process and that takes time.

First, we try to gather as much existing information, use the data already prepared, and then model it to find the best approach. Our goal (engineer) is to provide the best alternative at a good cost.

Bill D – the current cost projections seem out of proportion – what is your pricing structure based on? If we (PCSD) only spend \$500,000 and do additional work – what are your (engineer) additional fees?

Answer – Price is based on PER. If items are removed from the original scope, then depending on the complexity of the changes, the standard rule is 10%-15% of additional construct cost – again it would depend on the requested changes.

We could request bid alternatives – to include for instance, additional pipe replacement. This would provide flexibility and help prevent change order costs.

Bill B – what is included in construction phase services?

Answer – the engineer to oversee the project. Civil, electrical, construction administration, RFI (request for information), change orders, clarifications, pay review to USDA, construction manager.

Resident project manager – on the ground inspections, daily/weekly reports, review payouts. Figure 2-3 days per week for 5 months.

R Coffey – If during construction we run into a major problem, who does contractor go to?

Answer – should go to resident project manager, if unavailable then to you (PCSD rep). Probably need a board member to be the emergency contact when RPM is not available.

Bill D – who is responsible to keep people in water? Contractor/PCSD

Answer – it could be written into the bid specs that contractor needs to have an understanding with PCSD. Perhaps USDA could reimburse PCSD employee costs for extra work that may be required.

C Marchaunt – read from Greg Hammett – noted that 4 Creeks did not include geo-tech investigation...?

Reply – the geo-tech costs were not included in as additions services, it was lumped into other fees. Also, an operations manual was not included, usually contractor has to provide this, we will collect and include in post services.

These items were not broken out separately.

Question about SWPPP and dust control plans?

Answer - yes, project required to conform, cost was not included. Plan is filed with the State water board. Ensure that contractor has plan that erosion or run off will not contaminate water sources (streams, creeks, etc).

Unsure if project will be required to conform to dust control plan

C Marchaunt – Concern at Holby. We (PCSD) are working to get right of way. Also, there is a creek nearby – will SWPPP affect and require environmental reports? The Forest Service may watch closely and check. Who creates the plan

Answer – engineer will create the SWPPP

4 Creeks will have to recheck original plan to see if SWPPP was included, it probably is included, if not typical cost is \$2000-\$5000. Often contractors are required to provide their own SWPPP.

C Marchaunt – Concern about the limited construction window. Are there penalty clauses?

Answer – we (engineer) can put heavy liquidated damages clause into the bid specs
We can put in requirements that contractor have specific knowledge about certain elements.
This may limit bid competition...

Bill D – writing the bid specs is the key. Will the PCSD see them first?

Answer – PCSD will be kept apprised and before we (engineer) give them [bid specs] out PCSD will see them.

C Marchaunt – Regarding Summit tank, not lot will be purchased. The property owner has agreed to increase the easement to allow placement of a second tank. Can you (engineer) write the terms of the easement to be recorded with the county?

Answer – yes, the engineer can do the writing

Mr. Doty thanked Mr. Ainsley and Mr. DeGroot for coming to meet with the board and committee members. The board would like to show Mr. Ainsley and Mr. DeGroot some of the project sites, beginning with the Summit tanks and working their way down to Holby well.

All departed at 4:15 for the tour.

The meeting adjourned at the conclusion of the tour.

There will be another special meeting tomorrow, Wednesday August 17, 2011 at 3:30 in the district building to interview a third engineer, Bill Roberts of Roberts Engineering. It was noted the board secretary would not be present for this interview. Notes would be taken by Ms. Marchaunt.

Respectfully submitted

Jennifer Robertson
Secretary to the Board