



## **EQUIPMENT & FACILITIES COMMITTEE SUMMARY NOTES For November 4, 2016 Meeting**

### **I. Call to Order**

Chair Kalvans called Committee to order at 1:34 P M

### **II. Pledge of Allegiance**

Chair Kalvans lead the Pledge of Allegiance.

### **III. Roll Call**

Directors Kalvans and Reuck were present. All Committee members were in attendance.

General Manager Gentry and Utility Supervisor Dodds also attended meeting.

### **IV. Oral and Written Communications:**

There were no persons present requesting to speak to Committee members.

### **V. AGENDA**

#### **1. Review and Discuss a Sole Source Award for Engineering Design Work related to SLT Blending Well Line proposed as a 2016-17 CDBG grant funded water quality improvement project.**

General Manager Gentry introduced the request for Committee discussion and gave a summary of staff' recommendation to approve a sole source award to Wallace Group, as District Engineer, for this engineering design work. He also information about the Finance & Budget Committee's discussion which required additional information before that Committee forwarded a recommendation for Board consideration. General Manager asked Utility Supervisor to expound on other elements of the project, work to be done, practicality of staff being involved and the CDBG award/reallocation.

Utility Supervisor Dodds indicated that there are not many options for achieving an improvement in water quality without incurring significantly higher costs, such as arsenic removal treatment processes and equipment or other similar equipment. The blending line approach is believed to be the most cost effective and feasible for achieving improved water quality through a blending line approach.

The project line, itself, is designed to add lower arsenic level waters to the top of the existing tank at the top of the hill east of SLT well house. There was some discussion by Committee members about the Terrace area having a lot of issues.

Utility Supervisor Dodds reported that much of existing conditions for the Terrace area are associated with deferred maintenance practices of the past which must be resolved and addressed today and in the future. By pumping water to the SLT tank, we are anticipating a reduction in arsenic levels to within the regulatory limits by arsenic will remain a part of the supply.

There were questions by Committee about how much the original CDBG grant fund was. Mr. Dodds reported the original award was reallocated from another project to the SLT Blending Line project for \$150,000 including engineering design and construction costs. District crew may be restricted by HUD CDBG requirements from doing much work on this project. There may be some pre-project or preparatory work that can be done but the project is intended to be done by a third party contractor.

Wallace Group as sole source vendor meets the District Purchasing guidelines and requirements. Their engineering design services will be performed at a not-to-exceed cost of \$18,123. The CDBG portion of award for engineering design work was estimated at \$25,000. The cost reduction means that the District will assume added responsibility for project management on construction as well as more involvement for coordination.

There were no more Committee questions. Chair called for public comments or requests to speak. There was no public in attendance and no written comments received.

Committee Members unanimously agreed to recommend that the Board approve the sole source award of engineering design services to Wallace Group for the specified not-to-exceed cost of \$18.123.

## **2. Review and Discuss District Capital and Fixed Asset Guidelines**

General Manager Gentry introduced this item for review and discussion. He indicated that this review is an informational item. There is no Committee action requested.

The District Capital and Fixed Asset Guidelines for inventorying, identifying and tracking assets, valued at more than \$ 100.00. These Guidelines were recently discussed by the O & P Committee at its September 2016 meeting.

Committee members commented that having the knowledge of these guidelines in place is assurance that District capital assets are indeed known, tracked and catalogued using data about purchase value, date of acquisition, identified as District property or equipment and for accounting of depreciation value.

There were no further Committee questions or comments. Chair called for public comment or requests to speak. There was no public in attendance and no written comments received by the Committee.

**3. Review and Discuss of current status of water lines on 10<sup>th</sup> and 11<sup>th</sup> Streets as potential replacement capital project.**

General Manager Gentry introduced this item for review and discussion for action or recommendation to the Board. He asked Utility Supervisor Dodds to provide the details of current conditions for the 10<sup>th</sup> and 11<sup>th</sup> Street water lines and potential replacement options. There was no requested action for Committee to consider.

Utility Supervisor Dodds stated that the written report provides the details surrounding the current conditions of both line locations which were discovered in September as a result of line leaks that occurred. The 1940's construction and use of corrugated steel sleeves encasing the water lines as resulted in a highly corrosive pipeline along 100 and 175 foot segments in both streets. The conditions of these lines are likely to be repeated, over time, in other District water lines in the areas west of the river.

He also reviewed replacement construction options, pros and cons of each option and cost as presented in the written report. The report also contains photos showing the conditions for the pipelines needing replacement. If the District were to take advantage of CDBG funding, the 2017 cycle which is timed for April 2017, the recent application, last week, included the 11<sup>th</sup> Street potential project for consideration.

Chair Kalvans asked whether or not these lines have broken before. Mr. Dodds replied that there had been no known leaks for these lines but as the photos show there is a substantial corrosion occurring that can be assumed as happening elsewhere too.

Director Reuck asked if upsizing to a 12-inch line is prudent at this time. Mr. Dodds answered that there is no significant reason to upsize either line now or in the near future based on projected growth or existing development. He also stated that the 10<sup>th</sup> Street line, under Mission Street, although in the same condition, can be fixed easier but permits from County will add to cost. There are potentially significant cost savings if the District can do both projects as a 2-Phase construction project which will consolidate specific cost for each listed list and street location as shown in the written report.

Chair Kalvans asked about the E & F Committee needing to examine a priority listing of water and sewer line replacement projects that could become a part of capital projects list. He also asked about staff developing potential funding sources for E & F Committee review and discussion.

There were no more Committee questions. Chair called for public comments or requests to speak. There was no public in attendance and no written comments received.

**VI. COMMITTEE COMMENTS:**

Chair Kalvans asked if there were comments. Director Reuck stated that he had no comments to make at this time. Chair Kalvans asked to have staff bring an agenda item for a comprehensive look at will serve and impact fees as a means to address funding of system needs for water and wastewater treatment but does not want to be prohibitive or non-competitive in funding structure, looking for innovation.

**ADJOURNMENT**

Chair adjourned the Committee meeting at 2:30 PM.

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