

## **ENGINEERING COMMITTEE NOTES**

### **February 1, 2022**

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#### **Attendees:**

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|------------------------|--|
| Committee members:     | Randal Reed (Chair) and Kevin Kenley   |
| Staff members:         | John Bosler, Eduardo Espinoza, Rob Hills, Chad Brantley, Tuan Truong, Amanda Coker, Gidti Ludesirishoti, Nik Baykal, JR Roberts, Michael Maestas, Eric Grubb, Taya Victorino |
| Members of the Public: | None.  |

**Call to Order:** 5:00 p.m.

**Public Comment:** None

**Additions/Deletions to Agenda:** None

#### **Introductory Remarks by Committee Chair Reed**

Chair Reed announced for the record that this meeting was conducted by teleconference pursuant to Resolution No. 2021-12-1 as permitted under AB 361, in an effort to protect public health, prevent the spread of COVID-19 (Coronavirus), and because state and/or local officials are recommending or imposing measures to promote social distancing. Further, the agenda stated that there was no public location for attending this meeting in person. The agenda stated that the public may listen and provide comment telephonically by calling the number listed on the agenda. Chair Reed took a roll call of Committee members and staff present on the call as listed above.

#### **I. Budget Transfer and Award of Contract for CP21033 – Waterline in Garnet St. from Roberds St. to La Vine St.**

- Staff presented a recommendation for the budget transfer of \$150,000 from the District's Capital Reserve to CP21033 and award of contract to Merlin Johnson Construction, Inc. for the construction of CP21033 - waterline in Garnet St. from Roberds St. to La Vine St. The project will replace approximately 2,300 linear feet of existing waterline, which was built in 1963 and has reached the end of its service life.
- On January 18, 2022, the District received five (5) bids for the project and Merlin Johnson Construction, Inc. was the lowest bidder with a price of \$846,495. The budgeted amount for this project is \$780,000 and requires a budget transfer of \$150,000 to provide adequate funding to award the contract and change order contingency.
- Staff identified the District's Capital Reserves as an appropriate source of funding for the budget transfer. The reserve has sufficient funding to accommodate the request.
- The committee inquired about the increase in prevailing wage rate. Staff confirmed it was a 3% increase each year.

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- The Committee concurred with Staff's recommendation to forward this item to Finance Committee and to the full Board of Directors for consideration and approval.

### **2. Budget Transfer and Award of Contract for CP21034 – Waterline in Hampshire St., Malachite Ave., and Leucite Ave.**

- Staff presented a recommendation for the budget transfer of \$350,000 from the District's Capital Reserves to CP21034 and award of contract to Norstar Plumbing and Engineering, Inc. for the construction of CP21034 - waterline in Hampshire St., Malachite Ave., and Leucite Ave. The project will replace approximately 3,330 linear feet of existing waterline, which was built in 1969 and has reached the end of its service life.
- On January 25, 2022, the District received five (5) bids for the project and Norstar Plumbing and Engineering, Inc. was the lowest bidder with a price of \$1,213,000. The budgeted amount for this project was \$970,000 and requires a budget transfer of \$350,000 to provide adequate funding to award the contract and change order contingency.
- Staff identified the District's Capital Reserves as an appropriate source of funding for the budget transfer. The reserve has sufficient funding to accommodate the request.
- The Committee concurred with Staff's recommendation to forward this item Finance Committee and to the full Board of Directors for consideration and approval.

### **3. Award of Contract for CP21011 – SCADA Network Design and Implementation**

- Staff presented an award of contract to SoCal SCADA Solutions for the SCADA network design and implementation project. This project will evaluate, document, and design needed SCADA infrastructure upgrades, maximizing the performance and reliability of the District's SCADA system.
- The District's purchasing policy provides for an exemption to bid for designated professional services that are critical or sensitive in nature due to the specific knowledge of the District's facilities and operations. SCADA system consulting is specifically designated as critical or sensitive nature; therefore, competitive bidding for such services is not in the best interest of the District.
- The Committee concurred with Staff's recommendation to forward this item to the full Board of Directors for consideration and approval.

### **4. Southerly Terminus of Layton St. Purchase Agreement**

- Staff presented the Purchase Agreement with the City of Rancho Cucamonga for the Southerly Terminus of Layton Street.
  - The property does not have an APN, but it simply referred to as the southerly terminus of Layton Street. The District recently purchased a property at 7209 Layton Street. This property is located adjacent to the west and at a similar elevation as Reservoir 2.
  - In September 2020 the City made this property available as surplus. It is of significant interest to us as it would add 5,930 square feet of additional property to construct a reservoir and/or well at this site.

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- The Board of Directors previously authorized staff to negotiate a purchase price and final terms. If approved, the funds to purchase would be drawn from the Water Fund Development Fee Reserve.
  - District and City Staff separately commissioned appraisals of the property. Both parties agreed on a price in between of \$106,776. In collaboration with City and District legal counsels the attached agreement includes terms acceptable to both parties.
- If the Board of Directors approves the agreement, the General Manager will enter the agreement and parties will enter into escrow, and the District would have sixty (60) days to conduct its due diligence investigation.
  - The District's obligation to purchase the property would be subject to and conditioned upon the satisfaction or waiver of several contingencies during the due diligence period.
  - During the due diligence period, staff will present the financing strategy at an upcoming Finance Committee and obtain approval for transferring the funds at a subsequent Board of Directors Meeting
- The Committee concurred with Staff's recommendation to forward this item to the Finance Committee and to the full Board of Directors for consideration and approval.

Meeting Adjourned at 5:35 p.m.