

HEBER PUBLIC UTILITY DISTRICT

REPORT TO BOARD OF DIRECTORS

MEETING DATE: August 17, 2017

FROM: Laura Fischer, General Manager

SUBJECT: Authorize the General Manager to Execute an Agreement with The Holt Group to Provide Professional Services to update the 2012 Service Area Plan and authorize a budget modification for an amount not to exceed \$21,000.

ISSUE:

Shall the Board of Directors authorize the General Manager to execute an Agreement with The Holt Group to provide professional services to update the 2012 Service Area Plan and authorize a budget modification for an amount not to exceed \$21,000?

GENERAL MANAGER'S RECOMMENDATION:

It is recommended that the Board of Directors authorize the General Manager to execute an Agreement with The Holt Group to update the Service Area Plan and authorize a budget modification for an amount not to exceed \$21,000.

FISCAL IMPACT:

Not to exceed \$21,000. This amount will require a budget modification. With the total cost prorated between the four funds as follows:

Water:	\$6,720
Sewer:	\$6,720
Parks:	\$6,720
Trash:	\$ 840

The Service Area Plan in 2012 was prepared by The Holt Group for a cost of \$39,500.

BACKGROUND:

In November 2012, the HPUD Board approved the current Service Area Plan (SAP). The SAP was prepared by The Holt Group. Under the Cortese-Knox-Hertzberg Reorganization Act of 2000, LAFCO is required to review and update the Service Area Plans for each Special District every five (5) years. Our most recent update was approved by LAFCO on November 12, 2012 and they have informed us that it is time for us to review our service capacity and ability.

DISCUSSION:

As this is a Professional Service that is currently provided by our District Engineer's office, the HPUD may execute an Agreement for these services. As this is an update of our SAP that was prepared by The Holt Group, and since they are our District Engineer, they have the information needed to update our SAP. Hiring our District Engineer's office to update the SAP will save the HPUD money and time.

I have attached the draft letter Agreement from The Holt Group with the details of the requirements for the SAP, the updates needed, and the cost to perform these services.

CONCLUSION:

As The Holt Group is the District's Engineer, and as they prepared the Service Area Plan in 2012, they are very familiar with our service area and our capacity and ability to provide services to our community. The cost to perform the update of the Service Area Plan is about half of the cost from 2012. Thus staff recommends that the HPUD Board authorize the General Manager to execute an Agreement with The Holt Group to update the Service Area Plan, and authorize a budget modification in an amount not to exceed \$21,000.

ALTERNATIVES:

- 1) Do not authorize the General Manager to execute an Agreement with The Holt Group to update the Service Area Plan, and direct staff to prepare documents to submit the project for competitive bid. This action will increase the project completion date, and the total cost to HPUD as we will need to prepare the bid documents, advertise, complete selection process, then action must be taken by the BOD to award the project.
- 2) Do not authorize the General Manager to execute an Agreement with The Holt Group to update the Service Area Plan, provide alternate direction to staff to allow HPUD to meet LAFCO requirements related to the update of our SAP.

Respectfully Submitted,

Laura Fischer,
General Manager

Attachment: Draft Agreement for Professional Services to Update the Service Area Plan