



January 5, 2011

Dear City Council members:

On January 4, the Utility Advisory Committee held a Special Meeting to meet with Public Works Director Lance Newkirk and the team of consultants (GHD, Inc., BHC, and Katy Isaksen and Associates) under consideration for the Utility Business Advisor contract.

As a result of our discussion and our review of the proposed Agreement for Professional Services (Agreement), the UAC 's comments and recommendations are as follows:

- We believe that this team of consultants is qualified to perform the scope of services described in the Agreement.
- The UAC originally recommended that the services outlined in the Utility Business Advisor contract should take no longer than 90 days. After discussion, we agree with the consultants that 120 days is more realistic, provided they receive the needed/requested information in a timely manner. A schedule of major activities should be made an attachment to the contract.
- The consultants should meet with the Kitsap Public Utility District and the UAC as early as possible in the process so that work is not duplicated and cost is minimized.
- Based on our understanding of the scope of services described in the Agreement, we believe that the Council should consider allocating the cost of the consultants' work among the utility funds and the general fund, to the extent that the work impacts the entire community.
- We have had input in formulating the current scope of services and level of effort described in the Agreement and we believe that it is generally appropriate.

Thank you for the opportunity to comment on this proposed Agreement, and we look forward to seeing this process move forward.

Sincerely,



David Ward
Chair
City of Bainbridge Island Utility Advisory Committee