

# Crystal Springs Water District

## Domestic Water System

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October 18, 2018

President Bill Munk called the October Board meeting to order at 3:01pm. Other commissioners present were Eric Cederstam, Larry Brown and Antonio Baptista. Non-members present: Jim Shaver of Pace Engineering, Attorney Mark Womble, Superintendent Fred Schatz.

President Munk opened and closed the Public Comment period at 3:01. No members of the public were present.

Commissioners unanimously approved the September 2018 regular meeting minutes. (Cederstam/Brown)

Superintendent Schatz presented the September 2018 Treasurer's Report, providing an overview of revenues by category: residential, industrial, fire, and LIRA. He also reviewed current expenditures, along with capital outlay plans. (Cedarstam/Baptista)

Superintendent Schatz provided an overview of September bills paid. The Board unanimously approved payment of the September 2018 bills. (Brown/Baptista)

In "New Business," the following were discussed...

New service applications 2675 Meadow Brook Rd. for September. No issues serving application. (brown/Munk)

Phase I of Westside Reservoir bid results presented to the Board. Commissioner Baptista expressed concern noticing that the two lowest bids were separated by only \$475.00. He noticed a huge difference in the amounts bid for different tasks listed in the bid documents and is concerned with how these companies operate. Commissioner Munk asked Jim Shaver if the items in the bid were given know quantities, such as the feet of pipe installed. Shaver clarified that most of the items were a known quantity but other items, such as rock removal, had to be given a projected amount due to unknown conditions on the ground, and that some contractors may have knowledge of soil types in the area that gave them a reason to bid lower on items such as rock removal. Commissioner Baptista questioned the rock removal price, expressing concern that Jim Shaver made a typo on 100 units due to an earlier conversation Shaver and Baptista had. Shaver explained that it was not a typo but a higher number that he would normally put on other jobs. Commissioner Baptista pointed out that if the numbers are artificial this could change who the lowest bidder truly is. Shaver explained that the bidders are given quantities in the bid documents and those are the quantities that they all are to bid on. Commissioner Munk asked the question to Shaver that the main number we consider is the bottom line? Shaver confirmed that yes, it is the total of all items that we are to take into consideration in accepting the bid. Commissioner Baptista has no problem if Crestline made an educated guess or was familiar with the area to give themselves an advantage over the other contractors, what he is concerned with is inside knowledge that consistently gives them an unfair advantage. He would like a review of bids of this nature to see if there is data pointing to inside information that gives them an unfair advantage. Womble clarified that the district has a duty to accept the lowest bidder and that one reason we have been accepting Crestlines bids is that they continue to be the lowest bidder. Commissioner Brown did not see much room for "insider" information providing an advantage. Superintendent Schatz explained that the data Commissioner Baptista requested would be difficult to get at this time because the District has not had large contracts since the early 90's. Baptista requested moving forward that a review of bid results be provided. Commissioner Munk asked what information would be provided by Pace after construction was completed. Shaver said Pace would provide a detailed breakdown of the actual cost after each project was completed. Commissioner Munk requested that Commissioner Baptista could review this data and provide any additional breakdowns of bids on his own time since the data would be provided in a

spreadsheet. Commissioner Brown made the motion authorize the Superintendent to issue a notice to award Phase I of the West-Side reservoir waterline contract to Crestline Construction as the lowest responsible bidder, and to further authorize the Superintendent to issue a final award of contract to Crestline in the event no protest is filed to the Notice of Intent to Award within 7 days and Crestline otherwise meets the standard of responsibility set forth in ORS 279C.375, and to further authorize the Superintendent to sign the contract document on behalf of the District. The Board unanimously approved. (Brown/Cedarstam)

Jim Shaver of Pace Engineering provided an update on the Central Vale Drive waterline replacement project. Pace will have an engineer in training be onsite to verify and inspect the project. Work will begin next week.

In addition, Jim presented a project status report on the Westside Reservoir/transmission main. Finalizing the bid documents for Phase I of the project. Working on additional environmental work on phase II working towards review by the IFA and out to bid in January of next year.

In General Services, Pace worked on modifying hydraulic model by adding recently completed projects during the past two weeks and will address any additional issues as they arise.

Superintendent Schatz presented the Superintendent's Report, addressing the maintenance crew's progress on meter/valve replacements, and pipe projects. The in-conduit feasibility study was not going to be fully funded and would require a 50% match from the District. Funds were available currently without special budgetary considerations. Commissioner Brown suggested that Superintendent Schatz make sure that the environment with Hood River Electric COOP has indeed change before authorizing the additional fund. Superintendent Schatz planned to meet with the new manager and get her take on the potential to sell power directly to the COOP.

Superintendent Schatz stated that the IFA has yet to fund the purchase of Odell Water, and is still waiting for the final contracts for Board approval. The Superintendent also has not heard back from Parkdale Water Company, so they missed the September feasibility study deadline. The next deadline is in December 2018. (See attached)

Commissioner Baptista asked on the progress with our monitoring and sampling plan. Superintendent Schatz has purchased pressure monitors, but they were shipped in the wrong cellular systems and is waiting for the right ones to finish implementation.

The Board meeting was adjourned at 5:33pm by unanimous consent.

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Bill Munk

President

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Antonio Baptista

Secretary