

FEBRUARY 12, 2018
IONA-BONNEVILLE SEWER DISTRICT (IBSD)
SPECIAL BOARD MEETING

Board Members Present: Brady Belliston (Chairman); Robert Esplin; Jeff Miner; Kurt Nelson; Michael Cousin

IBSD Staff: Marina Meier, Manager; Donna Bridges, Field Coordinator

Attorney: Tony Sasser, Sasser Law Office (via teleconference)

Public: Kevin Harris, Forsgren & Associates; Dave Noel, Forsgren & Associates

Agenda Items:

1. IBSD Lincoln Road Sewer Main Replacement Project

Meeting minutes: For additional information, please reference the meeting recording.

Meeting called to order by Chairman Brady Belliston at: 12:00 p.m.

00:00:00 **IBSD LINCOLN ROAD SEWER MAIN REPLACEMENT PROJECT**

Mr. Noel stated that the sewer portion of the bid came in at \$853,000.00. The Engineer's estimate was \$795,000.00. Due to a storm in Texas there has been increases in the prices of pipe since the majority of PVC pipe comes from this area. The difference in the estimate and the bid price can be accounted for in the pipe prices. It is his opinion that the bid is good.

Mr. Belliston asked what the timeframe is for replacing the flow meter power source. Mr. Noel expects this to be done in June. Mr. Sasser stated that the driver of the vehicle who hit the power pole does have insurance so there will be a claim which will provide funds for the new installation. He requested an estimate of the cost from Forsgren & Associates.

Mr. Esplin expressed concern about the difference between the next highest bid and Knife River's ability to construct the project within budget. Mr. Noel stated that the difference in the bid is in the pipe. Mr. Noel expressed concern in having an inspector on site to avoid frivolous change orders. He also pointed out that under State law it is not allowed to consider whether the contractor left something out of the bid. It is required by State statute that the contract be awarded to the lowest bidder. Knife River is the lowest bidder on both portions of the project.

Ms. Meier stated she is working on getting the letter of credit as required by contract with Bonneville County. She has learned that this requires the total contract amount plus 15% be deposited in a certificate of deposit with a fee over \$12,000.00. She is working on getting Bonneville County to accept a letter of reference from the bank which will not cost anything. It

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was decided that a letter stating that IBSD has liquid assets for this project will be provided to Bonneville County.

The process for approving change orders was discussed by the Board. Mr. Noel explained that there is a way that prices can be negotiated during change order approvals. They also make sure the changes are not a legitimate part of the original scope of the contract.

MOTION: Mr. Nelson made a motion that IBSD accept the lowest bid from Knife River for the sewer portion of the Lincoln Road Replacement project. **MOTION SECONDED:** Mr. Miner seconded. **MOTION PASSED:** 5-0 (Yay: Mr. Belliston, Mr. Esplin, Mr. Miner, Mr. Nelson and Mr. Cousin)

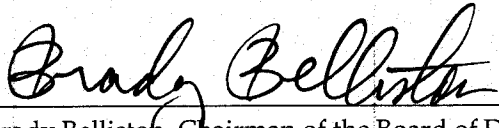
00:34:50

Two letters will be sent to Bonneville County. One stating that IBSD Board of Directors accepts the low bid provided by Knife River and one stating that IBSD has available funds to pay for the sewer portion of the project.

00:35:50

00:35:50 **ADJOURNMENT**

The meeting adjourned at 12:35 p.m.



Brady Belliston, Chairman of the Board of Directors

4/18/18
Date



Robert Esplin, Secretary/Treasurer

4/18/18
Date