

**MINUTES FOR THE
BLACK CANYON CITY WATER IMPROVEMENT DISTRICT
MARCH 1, 2007 SPECIAL BOARD MEETING**

Vice Chair Jim Evans opened the meeting at 7:33 PM and with the customary reflection time observed by the Board and public.

Roll Call showed a quorum present of Board members present:

Jim Evans, Vice Chair Floyd Ballinger, Treasurer

Ron Lee, Secretary Mary Brown, Member-at-large

Chair Bob Marley, on vacation, was absent

Also in attendance: Water Management - Randall Hrabina and Sarah Hrabina

Public: Polly Ballinger, Ed Leak, all Owner/Users. Also in attendance: Central AZ Excavating – Shirley and Bradley Blume; DCI Contracting – Mitch Coury; Black Canyon General Contracting – Jim and Derek Welch

Agenda Item #3 Opening of Bids for Capital Improvement Project – Line Replacements for Church St, David St, Phyllis St and Albins St – Board Review and Awarding of Bid

Vice Chair Evans opened the discussion noting two (2) sealed bids had been received. Four (4) bid packets had been picked up; they were: J J Sprague of Arizona, Central AZ Contracting, Critco, Inc. and DCI Contracting/BC General Contracting, LLC. In attendance were representatives for the sealed bids- Shirley and Bradley Blume/Central AZ Contracting and Mitch Coury, Jim Welch and Derek Welch of DCI Contracting/and BC General Contracting, LLC. Before opening the bids, R Hrabina/Management indicated he had met with all the contractors picking up the bid packets and had been asked if Management could do the “tap ins”. Since it was asked, Management offered it to all the bidders, but noted it was NOT required and that if they wanted Management to do it asked the bidders to specifically include it with their bid so it was part of the public record. R Hrabina indicated he wanted it to be in their contract so no one could accuse Management of getting a “kick back”. Opening the bids, Vice Chair Evans stated the bid from DCI Contracting was in the amount of \$159,700.00; Central AZ Excavating was in the amount of \$95,000.00.

It was noted the insurance and copy of (ROC- Registrar of Contractors) their license was included, as required, with both bids. It was noted both bids included American Country Homes (Management) providing some of the labor as part of the bid, to be paid by the contractor. Board discussion included inquiry of the license qualifications. Central AZ Excavating has a K-02 license with Vice Chair Evans indicating according to the ROC it states the license qualifies the holder for: Excavating, Grading and Oil Surfacing – This classification allows the scope of work permitted by the commercial A-5 Excavating, Grading and Oil Surfacing and the residential C-2 Excavating, Grading and Oil Surfacing licenses. License A-05 states: Excavating, Grading and Oil Surfacing –Movement and alterations of earthen material by digging, horizontal boring, trenching, grading, or compacting the material for a cut, fill, grade, or trench. Included is the placement of shoring, the oiling of base materials and incidental blasting and drilling. Excludes excavating for water, gas and oil wells. The Vice Chair asked for a representative of Central AZ Contracting to come forward and Shirley Blume came forward as the company spokesperson. Ms Blume indicated she thought they were qualified to do the installation of the lines but Vice Chair Evans indicated he did not feel the K-02 license qualified them. R Hrabina/Management was given the floor and asked the contractor if the slurry requirement of the County was included with the bid with Ms Blume indicating it was. R Hrabina inquired how it was calculated, noting from repair work done by Management the cost was \$2,000 he would estimate this project the slurry would cost at least \$25,000 and felt at the bid of \$95,000 was not calculated correctly. Ms Blume indicated the cost of the slurry was at \$106.00 a yard with a total of 27 yards estimated. R Hrabina indicated that amount was not even close to what would be needed. Vice Chair indicated his concerns with this bid was (1) the slurry; (2) rock clause; and (3) K02 license not qualifying to do the scope of the work necessary for this project and called for a motion from the Board. R Lee moved to decline the bid submitted by Central AZ Excavating, with a K-02 license, and the motion was seconded by M Brown. Upon vote declining the low bid of \$95,000 by Central AZ Excavating was approved unanimously.

Agenda Item #3 Opening of Bids – Line Replacement Project (con't)

Vice Chair Evans indicated the contract that would need to be signed includes a penalty clause with a per diem amount needing to be established if the work is not completed by May 1st (2007). It was noted such a rate can range from \$150 to \$200 per day with M Brown moving to establish the per diem penalty in the amount of \$150.00. F Ballinger seconded the motion and upon vote the per diem of \$150.00 was approved unanimously.

Discussion regarding the bid submitted by DCI Contracting in the amount of \$159,700 included information regarding his A-General Engineering license which is the highest commercial license classification and includes construction in connection with fixed works, including streets, roads, power and utilities.

Upon due consideration M Brown moved to award the contract for the line replacement project to DCI Contracting as the best bid in the amount of \$159,700.00. The motion was seconded by R Lee and upon vote was approved unanimously. The contract was executed by all parties with Mitch Coury indicating he plans to start immediately.

With no other business to come before the Board, the meeting was adjourned by the Chair at 8:11 PM.

CERTIFICATION:

I, Sarah J. Hrabina, certify the Agenda for the March 1, 2007 Special Board Meeting was posted for the public at the Post Office Bulletin Board, on Monday, February 6, 2007 at 4 PM.

Sarah J. Hrabina

ATTESTED:

I, Ronald E. Lee, Sr. for the Black Canyon City Water Improvement District certify that the minutes, as transcribed, are true and correct to the best of my knowledge and belief. Respectfully submitted,

Ronald E. Lee, Sr.

Transcription of minutes completed by Sarah J. Hrabina on 3/2/2007

Amended: YES NO

Minutes of the Special March 1, 2007 Board Meeting approved
by Board action on: _____ as herein transcribed