

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF CRESTLINE VILLAGE WATER DISTRICT

JUNE 21, 2005

President McGehee called the Regular Meeting of the Board of Directors of Crestline Village Water District to order at 3:00 PM, on Tuesday, June 21, 2005, at the regular meeting place of said Board at its office in Crestline, California.

ROLL CALL: Present were President C. N. McGehee, Directors William Huckell, Alan Clanin, Charles Spinks and Kenneth Stone.

Staff members present were Manager/Secretary Norman L. Hunt, Attorney Ronald Van Blarcom, Engineer Fred Hanson, Field Supervisor Donald Wagner and Office Manager Karl Drew.

Also present was Steven Farrell.

MINUTES OF PREVIOUS MEETINGS: On a motion by Director Clanin and a second by Director Spinks, the minutes of the Regular Meeting of May 24, 2005 were approved as corrected. Director Stone abstained from the voting as he was not a director at the May meeting.

On a motion by Director Spinks and a second by Director Clanin, the minutes of the Special Meeting of June 14, 2005 were approved as submitted. Director Stone abstained from the voting as he was not a director at the Special meeting.

PUBLIC COMMENTS: None.

PINECREST WATER STORAGE EXPANSION PROJECT, PHASE I, SITE DEVELOPMENT PROGRESS REPORT: The Board reviewed pictures of the tank site. Manager Hunt reported that Kanayan Construction has completed the major work at the site. The contractor is in the process of completing some minor items.

PINECREST WATER STORAGE EXPANSION PROJECT, PHASE II, REVIEW BIDS FOR FURNISHING AND ERECTING A NEW 1 MG WATER STORAGE TANK: Manager Hunt reviewed with the Board the bids that were received for the furnishing and erection of a new 1 MG water storage tank at the Pinecrest Tank site. Bids were received from Chicago Bridge and Iron (CB&I), Spiess Tank and Superior Tank. The engineers estimate for the project is \$700,000 to \$800,000. Following is the total for Bid Schedule 1 for each of the bidders:

CB&I	\$786,109
Spiess Tank	809,600
Superior Tank	687,500

Superior Tank is the low bidder for the erection of the tank. Manager Hunt discussed the bid with the Board. He recommended to the Board that they award Bid Items 1A, 1B and 1C, Additive Bid Items A2, A3 and B, and Deductive Bid Item A. Bid Item 1D and Additive Bid Item A1 would not be awarded. Bid Item 1D is site piping and Additive Bid Item A1 is the

installation of extra guard posts. These items would be installed by District personnel. The contract price as recommended by Manager Hunt would be \$547,300.

Manager Hunt also discussed with the Board the possibility of building the second 1 MG water storage tank for the same price, less Bid Item 1C, the tank drainage facilities which would be completed with the first tank. The price for the second tank would be \$528,800. These prices are very good for 1 MG water storage tanks. With increasing steel and concrete prices, it would be good to lock in the price for the second tank if possible.

Office Manager Drew discussed the cash flow requirements if the second tank is added. If the second tank is added to the contract, the work would extend into the next fiscal year. It is projected that the cash flow available for the two years will be sufficient if the amount reserved for contingencies is made available. The other option would be obtain a short term loan to help finance the construction of the second tank.

There was general discussion regarding the project and the bids received. On a motion by Director Spinks and a second by Director Huckell, the Board unanimously awarded Contract Bid Items 1A, 1B and 1C, Additive Bid Items A2, A3 and B, and Deductive Bid Item A to Superior Tank for \$547,300.

On a motion by Director Clanin and a second by Director Spinks, the Board unanimously directed staff to execute a change order for the construction of the second tank for \$528,800.

CHILLON TANK SITE SLOPE REPAIR: Manager Hunt reviewed with the Board two alternatives for repairing the slope above the Chillon Tank. The first alternative is for the construction of a crib-wall at the base of the damaged slope, behind the existing retaining wall. The crib-wall would be approximately 18' tall and compacted fill would be placed behind it, resulting in a 2:1 slope on District property. Due to the terrain, it would be very difficult to backfill behind the crib-wall. Drainage facilities would need to be constructed at the top of the new slope to prevent the slope from becoming saturated during wet seasons. The cost of this alternative would exceed the budget of \$30,000.

The second alternative is to leave the existing slope as is and construct drainage facilities across the top of the slope to prevent further erosion. The existing slope has been determined to be essentially stable. This plan would involve obtaining "Slope Maintenance" easements from three adjoining properties, as the top of the slope encroaches onto these properties. The easements would be used for drainage ditches, fencing and access for maintenance. It is expected that the easements would cost between \$1,000 and \$2,000 each. Even with the cost of obtaining the easements, it is not expected that this project would exceed the budgeted amount.

On a motion by Director Huckell and a second by Director Spinks, the Board unanimously authorized Manager Hunt to proceed with Alternate 2 for the repair of the Chillon Tank Slope and to proceed with discussions with the property owners of the adjoining lots for the purpose of obtaining Slope Maintenance easements.

MANAGER'S REPORT: There was a brief discussion regarding the monthly Financial, Investment and Water Production reports.

DIRECTORS' REPORT: None.

As there was no further business, the meeting was adjourned at 4:27 pm. The next Regular Meeting is scheduled for Tuesday, July 19, 2005 at 3:00 pm.