

MeadowCreek Mutual Water Company

MINUTES

Board of Directors' Special Meeting - Tuesday, January 12, 2021 Via Zoom

- I. The meeting was called to order at 4:08 pm

Present at the meeting were: Board members Ken Toy, Dave Hite, Jeff Ahlstrom, and Terry Walker. Also present were General Counsel David Baumwohl and bookkeeper JoAnn Morgan and David Tanksley.

- II. The special meeting was called for the purpose of considering approval of a contract for the renovation of Bar M Well site submitted by McMurtrie- Tanksley.

All Board members received the Proposal for review.

Dave Tanksley provided a summary of the work and proposal and stated that basically it's a bid sheet that was on the prior bid, which spells out the job, based on Time and Material, with itemized list on what's going to get done.

Jeff inquired if the proposal is valid when executed – it becomes a contract.

Tanksley stated it is an estimate only – not a firm price, and added if it was a firm price and he goes over “then I'm out.”

Jeff said as an owner paying the bills, it's uncertain, and asked Tanksley, “Is there a not-to-exceed number you would be comfortable with?”

Discussion was held regarding safeguards for the district if an item goes over.

Attorney Baumwohl stated that asking for a not-to-exceed is appropriate and suggested building in a bonus – write in a not-to-exceed, but if the total comes in under, you can share the savings.

Removal and setting water tanks were not included in Tanksley's bid – those costs additional cost will be outside of the bid. I will cost between \$1500 and \$2500 to do that.

The figures of not-to-exceed \$290,000 be inserted, with a bonus if the job is completed for under \$275,000. It's a performance incentive of \$12,500 if contract comes in below that number.

Terry Walker made a motion to approve the proposal submitted by McMurtrie-Tanksley subject to modifications of:

1. A not-to-exceed price of \$290,000; and
2. An incentive bonus of \$12,500 will be paid for coming in at or below the initial estimate of \$262,500, with timely completion of the contract by the end of May, subject to reasonable delays beyond the control of the contractor, and with the reasonable extensions approved by the Board.

Dave Hite seconded motion and the motion carried with a 4-0, one board member being absent.
Jeff Ahlstrom will be the contact point for the contractor if questions or issues arise.

Tanskley will utilize Tim Rudolph if a change order is required.

The meeting adjourned at 5:02 pm.