

MENDOCINO CITY COMMUNITY SERVICES DISTRICT
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Minutes of October 16, 2019

Special Meeting was called to order by President Schwartz in the business office at the Wastewater Treatment Plant. Present were Directors Kerstein, Hauck, Rice and Schwartz. Also present were District Superintendent Mike Kelley and Secretary Jodi Mitchell.

1. Public Comment

2. Award of Contract to Wahlund Construction for Wastewater System Improvements Project

Tom Herman, SHN, explained that USDA had reviewed the bid information and concurred with awarding the contract to Wahlund Construction in the amount of \$4,973,000. The award of the contract was based on the understanding that a deductive change order would be executed concurrently with the contract agreement that would bring the project within the available budget. The contract would be decreased by \$2,514,850, leaving the contract total including the change order in the amount \$2,458,150.

An amended Notice of Intent to Award was executed by Wahlund Construction, Inc. which extended the Bid acceptance date to October 30, 2019. The construction period would be extended by an additional 30 days. The Notice of Award, accepted the contractor's bid and would award the contract for Base Bid-Schedule A including deduction per contract Change Order 1 dated September 16, 2019. The Contract price of the award was \$2,458,150

The Board reviewed the Agreement for Construction Contract between the owner, MCCSD, and the Contractor, Wahlund Construction. The contractor must obtain performance and payment bonds. The District's attorney would review the Agreement prior to execution by MCCSD and the Contractor and prior to submission to USDA.

Director Rice voiced his concern about the project, and suggested that since MCCSD had changed the scope of work, he encouraged the Board to examine the idea of going out to bid again, which he thought was the responsible thing to do for the ratepayers. Superintendent Kelley believed that would jeopardize the District's loan/grant funding for the wastewater project, and there was no guarantee that the District could obtain a lower bid. The District needed the funding to replenish the District's reserves, which were ^{expended} ~~expensed~~ for this project. Director Hauck responded there was a time window for the grant funding and deadline for repayment of the line of credit with interest. He did not want to jeopardize the approved funding.

MOTION Hauck/Kerstein To Approve the Notice of Award and authorize the President or the Vice President to sign the Agreement with Wahlund Construction and the Notice to Proceed.

ROLL CALL VOTE

AYES: Directors Kerstein, Hauck and Schwartz

NOES: Director Rice

ABSENT: None

Respectfully submitted,



Jodi Mitchell

District Secretary