

WATER COMMITTEE
JUNE 22, 2005
MINUTES

MEMBERS PRESENT:

Chuck Watkins, Chairman
Dr. George Patton, Vice Chairman
Tony Parrott
Chris Venice

STAFF PRESENT:

Dennis Davenport
David Jaeger
Russell Ray

ABSENT:

Bill McNally
Jim Mallett

GUESTS:

John Munford, The Citizen

The meeting was called to order by Chairman Chuck Watkins at 8:00 A.M.

I. APPROVAL OF MINUTES FROM THE MEETING ON MAY 25, 2005.

Vice Chairman Dr. George Patton made the motion and Tony Parrott seconded, to approve the minutes from the meeting on May 25, 2005. There was no opposition.

II. BID OPENING - ANNUAL CONTRACT FOR WATERLINE EXTENSIONS.

David Jaeger reported the bid opening was on June 7, 2005. We solicited bids from eight different contractors. There was one bid submitted, which was Shockley Plumbing, Inc. for \$1,061,380.00. Shockley has done this contract for the county for the last few years. Mr. Jaeger went on to say that he compared the prices with last years bid. It is approximately five percent more. The actual increase was seven percent, but this was due to additional items and ductile iron pipe due to the county standard changing. There are some increased cost in materials. Mr. Jaeger stated that he thinks the bid is competitive, even though Mr. Shockley was the only bidder. He has done a fine job the last couple of years. He thinks it has been a benefit to the Water System to have this contract in place. It allows for quick response on short extensions and emergency repairs. He recommended to the Water Committee that Shockley Plumbing be awarded the contract for the Annual Waterline Extension.

Mr. Parrott commented that we made an effort to get other bids. The ad was faxed to all eight companies and they were also contacted by phone. We did not have many bidders last year. There is more money in subdivision work than there is in this type work.

Vice Chairman Dr. George Patton made a motion to recommend to the Board of Commissioners that the contract be awarded to Shockley Plumbing, Inc. Chris Venice

seconded and there was no opposition._____

Chairman Watkins questioned why the other contractors did not bid. Mr. Jaeger speculated that Shockley is very competitive with his pricing. He is also able to respond quickly because he is a local contractor. Some of the others have a little more distance between their home base and Fayette County. This is the type of contract that requires them to mobilize quickly and be available on short notice. They also have other projects going on. He thinks it is a combination of these factors that keep them from showing a lot of interest. Mr. Jaeger went on to say, that even though we had a single contractor, he does believe that we have a competitive bid. He noticed that Mr. Shockley has decreased the item for mobilization charges. Last year the cost was \$1500.00 for primary mobilization once he got a notice to proceed. This years contract is \$500.00. There are some increased cost in the pipe price, but mobilization charges have gone down. This was a benefit to the Water System.

III. WATER CONSERVATION PRICING.

Mr. Parrott commented the conservation water rates have been discussed so we will be in compliance with DNR. He stated the basic change would be with a 3/4 and 1 inch meter for residential and irrigation meters, the rate over 20,000 will be \$3.80 per thousand. If we are not in compliance with all the DNR rules when our current water withdrawal permits come up for renewal, they could be delayed.

Vice Chairman Patton stated that the price of gas has gone up and up. We are using more gas than we have ever used. Is going up on the water rates going to decrease water use. Mr. Parrott responded that the purpose is to decrease water use.

Mr. Parrott recommended that the Water Committee propose to the Board of Commissioners the conservation rate for residential and irrigation meters as presented. Chris Venice seconded and there was no opposition.

There being no further business, Chairman Chuck Watkins adjourned the meeting at 8:10 A.M.

Chuck Watkins

The foregoing minutes were approved at the regular Water Committee meeting on the _____ day of _____, 2005.

Lisa McElwaney