

## **Minutes for Sewer Commission Meeting of June 27, 2014 - DPW, 520 Chase Rd.**

Attendees: Carl Luck, Dave MacDonald, Mike Nault, Troy Daniels. Also Present: Jack Rodriquenz, DPW Director Absent: Butch Bilotta

Guests: Kevin Olson and Matt Corbin of Wright Pierce

Meeting was opened by Carl Luck, Chairman, at 1:54 p.m.

There was no public comment. Meeting was for the review of proposal from Wright Pierce for sewer extension(s) for Lakeview/Pratt.

**Mr. Luck** wanted clarification regarding the terms. **Mr. Rodriquenz** informed Wright Pierce (hereinafter WP) that the Sewer Commission (hereinafter SC) had discussed the proposals received from WP and Weston & Sampson and that the discussion resulted in questions regarding the terms. **Mr. Luck** wanted to also identify risk areas of the project. **Kevin of WP (hereinafter Kevin)** stated that the risk areas would be around Lakeview - Sunset/Harris, the location of the STS, topographical. There would need to be research before the proposal would be carried out, until then they would not know. They could look at Google maps, but they are not 100%, he stated that is was "not that big a risk" to WP, but that he did not know, not 100%. The "end game" would be in the easements and recording requirements. The budget he hoped would be more than needed. There would need to be deed research, property searches. More or less there was "plenty in the budget and we are not going to use it all." **Mr. MacDonald** Asked about the significance of the amount. "The \$2.2 M was just in case, a cushion." "\$2 M would be on the high end" **Kevin** "We're on the same page." **Mr. Rodriquenz** Asked about the contingency and felt there was some gray area. **Mr. Luck** "I don't see as a contingency" there is nothing in the contract for legal, so it is not contingency. **Mr. Rodriquenz** Asked WP what was typical for a \$2.2M job. **Kevin** Typically 10-15%. **Mr. Rodriquenz** Stated that overall it is wise to have a minimum of 10%. **Mr. Luck** \$1.8m included contingency based a lot on the SRF to make sure that there would be enough. Construction contingency is in there. **Kevin** Yes, we have it. **Mr. MacDonald** The contingency changed on the basis of starting at \$1.8M, then \$2.0M and going to \$2.2M. **Kevin** It should be enough. **Mr. MacDonald** Asked if Kevin thought the budget was adequate and how WP would get paid. **Kevin** Referred to the section of the proposal that was the source of question, stating that it would be up to the town/SC. Using \$200K as an example, there could be a lump sum meaning that SC would agree to pay \$200K for the scope of services, payment could be phased, it would have to managed carefully by WP. **Mr. Luck and Mr. Rodriquenz** asked if that would be the equivalent to a contract "not to exceed." **Kevin** stated that it was effectively the same. **Mr. Luck** If fixed lump sum means that we/Lunenburg would not pay less. **Kevin of WP** "Yes." It would be time and materials (T&M) not to exceed guesstimate. WP would bill monthly. They might overrun, it would be very lean, but there would be a chance that they could under run. **Mr. Luck** "Not to exceed" would mean that WP would be taking the risk. **Kevin** Not to exceed is something that happens outside the scope, it is not envisioned. If there was something outside the scope WP would come back and renegotiate and make amendments. He realized that contradicts. **Mr. MacDonald** Usually a lump sump works differently. "not to exceed" is not the exceed but less can be paid. Asked if the lump sum would be paid up front. **Mr. Rodriquenz** said that a lump sum would not be paid up front and that he preferred 'not to exceed.' **Kevin** said that lump sum they would still bill monthly and that he would keep track of the percentage complete. SC/DPW would agree with the invoice or call. **Mr. Rodriquenz** clarified that if the monthly billing did not exceed the contract amount that that would be okay with WP.

**Kevin** "Yep" only the number is a guesstimate. **Mr. Rodriquenz** Any contracted consultant usually pushes back on a not to exceed, typically, surprised here, particularly with the second bid. He confirmed with Kevin. **Kevin** agreed. He stated, "It may be less." **Mr. Luck** Asked if there was a way to get to less, to reduce the scope of work. **Mr. Rodriquenz** There could be differences between 600 or 700 feet of line, 3 or 4 different places, it would be less for the contractor, the submittals (invoices and explanations) should be simple. **Kevin** agreed. **Mr. Rodriquenz** It will be established after the first back and forth **Kevin** "Bingo." **Mr. Rodriquenz** we were burned with the pump stations. The owner paying for multiple reviews. There should be no question about what to review or looking for problem. Multiples would become the responsibility of the contractor. **Kevin** agreed. **Mr. Rodriquenz** We're looking to protect the owner **Kevin** when the client is happy WP is happy. **Mr. MacDonald** WP has a 21 1/2 work round up. **Kevin** There may be some other risk, WP is comfortable with the fee format, it is dependent on the contractor hired, how many feet per day, production of the contractor, how many fee in a day. What time of year, this is an estimate. Recommend field inspection 860 hours estimate. Depends on contractor, unexpected. However, WP comfortable with their proposal. **Kevin** stated they've done some preliminary independent review. All of the numbers ended in the middle. **Mr. Rodriquenz** The risk would be on WP. **Kevin** gave example of Hudson (Tony), contractor ran under. We cannot manage the contractor's means/methods. **Mr. MacDonald** Calculated that WP was comfortable with the roughly \$77 hr./\$3200 week. **Kevin** Agreed. **Mr. Luck** Asked if there was an ability to put in contract. **Mr. Rodriquenz** Means/Methods acceptable, deal with results, stated it was illegal to manage means/methods, goals and speed could be. Discussion about penalty clause and bonus clause, liquidated damages, all agreed it would not be contained within the contract. All commissioners agreed it best to leave in the not to exceed. **Kevin** discussed how to manage contractors and police detail. Recommended not forcing two crews on contractor. Clarified that there were not two RFPs. **Mr. MacDonald** affirmed. **Kevin** based on feedback may recommend to contractor a start area. **Mr. MacDonald** They are two different types one T/E and one gravity fed. **Kevin** which gets back to means and methods. Discussion about a bonus for completing job early. All agreed no. **Mr. Nault** "Time saved is the bonus." All agreed to 'not to exceed' contract. **Mr. Rodriquenz** stated that he was "impressed" with outcome. **Kevin** stated that if there were any legitimate changes in the scope of work or design changes it was incumbent upon them to notify SC/DPW for agreement amendment. **Mr. Rodriquenz** Confirmed that WP was comfortable with numbers for Sunset potential with not to exceed. **Kevin** WP is comfortable with the number, we have spoken to several contractors and put together an aggressive proposal, it has been looked at several times. **Mr. Luck** asked if there was anything in the project that WP thought was overkill or that drove costs unnecessarily. **Kevin** No. Stated to the contrary. **Mr. MacDonald** asked about ledge on Pratt. **Mr. Rodriquenz** confirmed that Whalom Rd did not have ledge when water was run, sewer would be at same elevation or higher, water assumes pressure. Gravel was found, which is unusual. **Kevin** RFP not just boring (soil sample), also doing hollow stem augers, spaced 300 feet. Chance of ledge at Whalom/Pratt is small. At Whalom there is a nine foot deep manhole **Mr. MacDonald** if wide profile, pipe might to be encased **Kevin** We still need survey, ledge profile from borings. **Kevin** We will put together a not to exceed for field inspection phase based on 860 hours at rate, deal with otherwise by amendments. **Mr. MacDonald** Asked how the police detail would be billed. **Kevin** Survey should not need a police detail, possibly borings. Estimate \$50K for police detail for project. **Matt** of WP SRF funding does not allow for police detail in construction contract, police detail will be billed to town. **Mr. MacDonald** Asked who kept track of police detail hours. **Mr.**

**Rodriquenz** Police detail will have to be managed, requires contractors to give two weeks advance, does not allow four hour minimums through managing notice, have to work with contractor. **Matt** of WP recommended reinforcing notice requirement of two weeks in pre-construction phase. **Kevin** guessed that police detail would run \$2K for design phase. He would coordinate for/with driller, anticipates 3 days drilling, field inspection. WP will also track hours. **Mr. Rodriquenz** resident has to sign off.

**Mr. MacDonald** made a motion to accept the proposal with final review of the not to exceed contract and addendum for field inspection, in the amount of \$198,300.00 to Wright Pierce. **Mr. Luck** was authorized to inform Wright Pierce, in writing, that the contract is accepted without further motion. **Mr. Daniels** seconded. Vote taken was unanimous.

Carl asked for a motion to adjourn. Troy made the motion, Dave seconded. Meeting was adjourned at 3:30pm.

Respectfully submitted,

**Troy Daniels, Member**