

**North Branch Fire District #1
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**THESE MINUTES ARE NOT OFFICIAL UNTIL APPROVED BY THE
PRUDENTIAL COMMITTEE**

Minutes of the Regular Meeting of the North Branch Fire District #1, Prudential Committee, March 14, 2019.

This Meeting, having been duly warned, was called to order at 12:00 a.m. by Chairperson, Cyndee Frere.

Members Present: Cyndee, Frere, Edward Barber, Thomas Ferrazza, Karl Braunbach and Brendan Ryan.

Also Present: Edward Floyd, Rebecca Snow, Bart Howes and Linda Holland.

Public Comment: None.

Minutes: Ferrazza moved to approve the Minutes of February 13, 2019 and February 21, 2019, as submitted. Seconded by Barber. Passed unanimously.

Letters: Notice of Hearing from the Vermont Superior Court, Environmental Division stating a telephone conference will be initiated by the court on Monday March 18, 2019 at 3:00 p.m. This matter will be taken care of by Attorney Jon T. Anderson, representing the North Branch Fire District #1.

Dated March 11, 2019 a letter from Dean Zoecklein, Operations Manager for Kingsbury Companies, LLC regarding the Clarifier Acceleration Costs and attached documentation. This will be discussed a little later in the meeting.

Edward Floyd/Technicon P.C./Construction Update: A construction meeting was scheduled today with the State and was ultimately cancelled. Ed was up North anyway and met with Matias Miguez, representing Kingsbury, to try and iron out some of "this stuff" before the meeting and really didn't get anywhere, but I did get a better understanding of what they were thinking when they were putting their prices together stated Floyd. We have three or four change orders that we keep going back and forth on; with the clarifiers being the big ticket item during the month of December. Mobilization and demobilization is a figure approximately \$600,000.00 they bill the percentage of the job against that \$600,000.00 figure. The contract also stipulates that we withhold ten

percent of what we are paying them. The contract also allows that after the project reaches fifty percent completion, the retainage is reduced to five percent, if the owner is satisfied with the work and work progress. Later, toward the end of the project the retainage is reduced to the value of the "punch list". Kingsbury is requesting the retainage be reduced from ten percent to five percent. Floyd stated that Kingsbury has laid out the funding for the centrifuge that will be here either in June or July. Some of the sludge piping had to be moved in the basement, three guys worked for one day. Ferrazza asked if we knew the piping had to be removed prior to actual construction. Floyd explained that there is a new sink in the basement and unfortunately we had that drawn on the plans where there was a spot between pipes, but what did not show on the plans was what was above our head. So the sink had to be moved. The clarifier as far as that goes, they removed the day supervision from the project, remember he (Matias) said he wanted time and expense change order with a budget price maximum and they gave us a price of \$75,632.00. They (Kingsbury) think that the \$75,632.00 is what they are entitled to. They gave us a bill of \$57,000.00 thinking they were giving us a deal and we would jump right at it. But, when we looked at the backup we did not agree with that, so they come back with a productivity charge of 30%. Floyd tried to explain that the salaried employees do not cost the company extra in over-time. Floyd went on to say that we want to make sure Kingsbury is reimbursed for all costs to do this tremendous effort, but that is all we agreed to pay. Ferrazza asked Howes what he feels is owed Kingsbury. Howes had prepared two summaries for the expedited construction of the clarifier. When Howes, Floyd and Moyer looked at it we thought it should be approximately \$33,303.51. But then if you consider that they could not get the second shift employees here and you consider the overtime worked by the first shift it should not exceed \$40,029.56. We still have not seen time cards only, GPS locations of company vehicle records for both Matias Miguez and Bill Coon. Ferrazza asked "what do you guys think? Either eat it at 57,000.00 or fight it at \$40,000.00." Floyd stated that he cannot get them to budge anymore, Kingsbury keeps saying "this is it, this is it." Ryan asked Floyd what he would recommend. Floyd recommends reducing the retainage to five percent. Ryan asked Floyd "what is our exposure, can we take a hard stance now. Ferrazza suggests having Travis Kingsbury come to a meeting to face the Committee. The Fire District is not responsible for delays created by Kingsbury for the change order backups. Ferrazza asked Floyd "if we deny them (Kingsbury) the reduction are they going to stop work?" Floyd "if you deny the reduction, deny Change Order 15, or held them to the \$33,303.51, I would not be surprised if they just pulled out and say they have to do other things." Ryan asked Floyd if he is recommending, to the Prudential Committee, reducing the retainage. Floyd responded "yes, I think it is your best interest." Braunbach feels that holding the retainage back is petty. The Committee asked Floyd what his recommendation was regarding change order 15. Floyd stated that this is a little tougher; you might want to try doing something in the middle. Ferrazza stated that \$40,029.56 is more than in the middle. Floyd stated that we are looking for something between \$40,000.00 and \$57,157.40. Floyd stated the State does not like figures that are "settled on" they like to see the back up for the work performed. Ryan stated that he feels that approximately \$15,000.00 is worth getting them off the site moving forward. Ryan asked Floyd what the completion date is and Floyd responded January 5, 2020. Ryan stated that he just does not want to appear weak, that they would take advantage of us moving

forward. Ryan asked, “what is our exposure regarding a discharge, is the pressure off at this point?” Floyd “we may have a discharge, spring run-off is a few weeks away.” Ryan, “can we take a hard stance now and definitively say no work?” “Do we have the schedule flexibility for that? Howes stated that Kingsbury has said it could be \$10,000 to \$15,000 per day costs, due to the equipment on site. Braunbach asked if there was a way to verify the back up for change order 15. Floyd answered the problem is verifying the back up and the timely submission. Ryan feels that if we release the \$57,157.40 with a memo, coming from Floyd, in the effect that we will do everything to our best to turn this around and the owner will not be responsible for any delays in providing backup moving forward. Ryan wants this to be a formal transmittal and copied to Roger Bergeron, Chief Construction Engineer for the State of Vermont. Ferrazza asked Ryan if he was ready to make a motion. Ryan stated “no, I won’t make the motion.” Ferrazza move to pay the change order bill in the amount of \$57,157.40. Seconded by Braunbach. In favor: Frere, Barber, Braunbach and Ryan. Opposed: Ferrazza. Motion Carries. Ferrazza moved to reduce the retainage from 10% to 5%. Seconded by Ryan. In favor: Frere, Barber, Braunbach and Ryan. Opposed: Ferrazza. Motion Carries.

Executive Session: Ferrazza moved to go into Executive Session at 12:45 p.m. to discuss legal matters. Seconded by Braunbach. Passed unanimously. Ferrazza moved to come out of Executive Session at 12:50 p.m. Seconded by Braunbach. Passed unanimously. No Decisions.

Annual Meeting: Braunbach moved to ratify the Articles for the Annual Meeting, as submitted. Seconded by Ferrazza. Passed unanimously.

Ferrazza moved to ratify the Budgets for 2019 as submitted. Seconded by Braunbach. Passed unanimously.

Treasurer’s Report: Braunbach moved to ratify borrowing \$68,838.00 from the Priority List Account to the Construction Account. Seconded by Ferrazza. Passed unanimously.

Ferrazza moved to pay the monthly bills totaling \$168,516.15. Seconded by Braunbach. Passed unanimously.

Braunbach moved to borrow \$19,454.50 from the People’s Bank A-Priority Account. Seconded by Ferrazza. Passed unanimously.

Braunbach moved to borrow \$224,860.59 from TD Bank A-Priority List \$224,860.58. Seconded by Ferrazza. Passed unanimously. (Pay request 10).

Last Operational check written #29055
Last Capital check written #1277
Last Petty Cash check written #880

Chief Operator's Report: Braunbach moved effective March 13, 2019 to increase the Assistant Chief Operators wage by \$0.75 per hour. Seconded by Ferrazza. Passed unanimously.

Mary Clark from the Indirect Program issued a close out letter in regards to the 1272 order. It states we must have the frac tanks on site until April 16th, construction may proceed on the clarifiers beginning May 6th. also May 6th. we may no longer utilize increased discharge above our Indirect Discharge Permit amount. Frac tank lease is up April 16th. Howes will call them the week before to schedule a pickup on the 16th, or after the 16th.

Old Business: None.

Other Business: None.

Frere moved to adjourn the meeting at 1:08 p.m.

Annual Meeting is March 26, 2019 at 10:00 a.m. – 7:00 p.m.

Re-Organization/Regular Meeting April 4, 2019 at 12:00 noon.

Respectfully Submitted:

Linda L. Holland,
Administrative Manager

cc: C. Frere, K. Braunbach, T. Ferrazza, E. Barber, B. Ryan, E. Floyd, B. Howes, H. Terhune, D. Facilla, J. Mahon, A. Pritcher, A. Palmiter, M. Himelson, L. Anelli, A. Levine, J. Flanagan, C. Helmstetter, Gray Ghost Inn, J. Desrochers, J. Gooch, Town of Dover, J. Densmore,, J. Redd, M. Garber, P. Fisher, R. Reed, S. Dupries, S. Meade, V. Czechorowski, Y. Strus, L. Fraser, A. Perkins, L. Newton, R. Rubin, C. Turpin, R. Parker-Houghton, G. Golet, S. MacDougall, L Harkawik, R. William, P. Fitzpatrick S. Joyce-Albano, R. Caplan, G. Henry, Deerfield Valley News and the Brattleboro Reformer.

Posted: North Branch Fire District #1, Wastewater Treatment Facility & Administrations Building. Dover Town Office.