



# BOARD OF SELECTMEN

## DEEP RIVER TOWN HALL

Special Meeting – September 24, 2014

**Attendance:**

Selectmen: Dick Smith and David Oliveria. Also: Tom Lindner (*Treasurer*); Lisa Bibbiani, Bud Eckenroth, Ted Mackenzie, Mark Reyher, Art Thompson and Chief Operator Pete Lewis (*WPCA*); Joe Cermola (*Cardinal Engineering*).

This Special Meeting was called to order at 5:34 pm by Dick Smith.

**Minutes:**

Since this was a Special Meeting, there were no minutes to approve, and business conducted was limited to the sole item on the agenda.

**Kirtland / River Street Area Sewer Expansion:**

Joe Cermola, representing project designer Cardinal Engineering, reviewed the history of both the initial solicitation for bids and the more recent second round. All responses to the initial bid had been in excess of funding awarded by the United States Department of Agriculture (USDA), and all were rejected. For the second round, five separate bids were required: a base bid, that included the majority of the proposed expansion, and four areas to be bid separately as alternates.

Cermola explained that on the re-bid, B & W Paving & Landscaping, LLC, of Mystic, submitted the low bid of \$3,609,985 **for the base portion only**. Adding any of the four alternates would have once again exceeded the approved level of funding. Cermola, at the Board of Selectmen request, had reviewed the qualifications of B & W and the second low bidder, Baltazar. Since both were judged to be qualified, Baltazar, the second low bidder, was no longer under consideration, and Cermola then responded to questions from Thompson concerning B & W's work history.

During discussion, Smith reported that when the bids on the initial round proved to be too high, the USDA was contacted to see whether additional grant or loan funding might be available to finance any of the alternate sections, and that we expect a reply by late September or early October. If additional grant or funds are approved by the USDA, the Board of Selectmen would be required to proceed to Town Meeting for authorization to increase the amount of the project cost.

Smith noted that, regardless of the availability of additional funding, it seemed practical to eliminate two of the alternate sections: the River Lane alternate, which would serve only a few properties, is the least cost-effective portion. In the case of the Essex Street Pump Station alternate, the Town could purchase the materials and undertake installation at a cost lower than the bids received.

Smith also explained that funding through the USDA differs from other grants the Town has received:

Thirty per cent of the total award is a grant, with 70 per cent in the form of a long term, low interest loan. When 90 per cent of the project cost has been expended, the Town will be first reimbursed with the grant portion, with the final payment upon completion.

When the entire project is complete, the short term Dime Bank loan will be paid off with the low interest loan from the USDA.

All agreed that since funding for the base portion is in place, work should commence as soon as possible. There being no further discussion, Oliveria moved, Smith 2<sup>nd</sup>, to award the contract to B & W, whose bid of \$3,609,98—**on the base portion of the sewer expansion only**—was lowest.

**Adjournment:**

Oliveria moved, Smith 2<sup>nd</sup>, to adjourn at 6:10 pm.

APPROVED 2 – 0

Respectfully submitted,  
*Richard H. Smith*  
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