

**EAST LYME WATER & SEWER COMMISSION
REGULAR MEETING
TUESDAY, JUNE 25th, 2019
MINUTES**

The East Lyme Water & Sewer Commission held a Regular Meeting on Tuesday, June 25, 2019 at the East Lyme Town Hall, 108 Pennsylvania Avenue, Niantic, CT. Chairman Nickerson called the Regular Meeting to order at 6:50 PM immediately following the previously scheduled Public Hearing.

PRESENT: Mark Nickerson, Chairman, Dave Bond, Steve DiGiovanna,
Dave Jacques, Dave Murphy, Joe Mingo, Roger Spencer, Dave
Zoller

ALSO PRESENT: Joe Bragaw, Public Works Director
Brad Kargl, Municipal Utility Engineer
Mark Zamarka, Town Counsel
Paul Malmrose & Al Wells, Tighe & Bond
Kevin Seery, Ex-Officio BOS

FILED

July 1 20 19 AT 10:05 AM/PM

ABSENT: Carol Russell

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EAST LYME TOWN CLERK

1. Call to Order / Pledge of Allegiance

Chairman Nickerson called the Regular Meeting of the East Lyme Water & Sewer Commission to order at 6:50 PM immediately following the previously scheduled Public Hearing. The Pledge was previously observed.

2. Approval of Minutes

▪ **Regular Meeting Minutes – May 28, 2019**

Mr. Nickerson called for a motion or any discussion or corrections to the Regular Meeting Minutes of May 28, 2019.

****MOTION (1)**

Mr. DiGiovanna moved to approve the Regular Meeting Minutes of May 28, 2019 as presented.

Mr. Zoller seconded the motion.

Vote: 8 – 0 – 0. Motion passed.

3. Delegations

Mr. Nickerson called for delegations.

Ms. Tyrocki, 22 Blue Heron, addressed the Commission regarding the Black Point Beach Association and a proposed development adjacent to them in Old Black Point at 212 Old Black Point Road/West Lane.

4. Consider Allocation of Sewer Capacity for Pazz & Construction

The Public Hearing has been continued.

5. Billing Adjustments

There were none.

****MOTION (2)**

Mr. DiGiovanna moved to move items #11 and 13 on the agenda up and all other items down.

Mr. Zoller seconded the motion.

Vote: 8 – 0 – 0. Motion passed.

6. Meter Deposits – Discussion and possible action

Mr. Bragaw said that they are proposing to pay the customers back \$25/year. \$70 was the meter deposit fee and they will have to figure in the interest based upon the number of years that the fee had been held by the Town for each particular customer/circumstance. They have over \$400,000 in meter deposit dollars in working cash and are getting out of the meter deposit business. What he is looking for this evening is action regarding discontinuing taking meter deposits so that they have a cut off point going forward.

****MOTION (3)**

**Mr. Mingo moved to suspend taking in meter deposits effective immediately.
Mr. DiGiovanna seconded the motion.**

Mr. Bond asked about previous owners.

Mr. Bragaw said that they are concerned with the current owners as the previous owners have already been dealt with.

Vote: 8 – 0 – 0. Motion passed.

7. Water Project Updates

Well 1A and 6 treatment Plan Modifications and Upgrades – Discussion of bid results and recommended actions and Well 2A – Mn Action Level

(Note: Mr. Jacques recused himself from discussion on this item and left the meeting)

Mr. Kargl explained that they went out to bid on this and that only one (1) bid was received and it was \$1.2M over what we have for the project. Carlin bid \$4.8M and we only have \$3.6M available.

Mr. Malmrose from Tighe & Bond explained that even with taking a few items out of the bid that it came in too high. He noted that while the price is high that the job is also a small one for them when considering the size of the jobs that they normally do. The options that they have with them being the only bidder is that they could try to negotiate but the scope of work could be compromised.

Mr. Mingo asked if they could put it back out on the street and see what happens.

Mr. Malmrose noted that he had contacted a number of other companies that would normally bid on this size and type of job but they all felt that the project was compromised by the Parks & Recreation and Board of Ed component time line window. He said that they could re-bid the project and separate out the treatment facilities from the water mains for different contracts. This would also move the bonding to FY 2020.

Mr. Nickerson recalled that the Parks & Recreation issue is with tearing up the roads and sports on those fields 75% of the year so they only have a specific time during November to the end of December that the work could be done. The BOE has said that they could not work during the drop off and pick up times at the schools so work would have to stop two times during each day.

Mr. Kargl said that he and Mr. Bragaw met with the Superintendent of Schools and he was amenable to having a month to do it while school is out with practice on the upper area of the field. However they would have to work with Parks & Rec on the games issue.

Mr. Bond suggested that the kids should have to use the bus for a month.

Mr. Mingo indicated his feeling that we should not be working around them as this is a project affecting the entire Town.

Mr. DiGiovanna asked if that would allow enough time to lay the pipes.

Mr. Malmrose said yes.

Mr. Kargl asked that they decide if they want to split the work out or revise the current contract and re-bid it.

Mr. Bragaw noted that the contractor wants their own space so that they can get in and out with their equipment.

****MOTION (4)**

Mr. Bond moved to break the contract into two parts –water mains and treatment facilities.

Mr. Spencer suggested that they keep the same contract and just schedule the work at different times. Mr. Kargl said that he would like the time to re-work this and come back with something for them next month.

Mr. Malmrose said that he would like to start the vertical work in September but does not see that happening right now.

Mr. Bond rescinded his motion.

Mr. Nickerson said that they would take this up again next month.

Mr. Jacques rejoined the meeting.

8. Approval of Bills

There were none.

9. Finance Director Report

Mr. Nickerson noted that Ms. Johnson was on vacation however they had her report for their review.

10. Water and Sewer Operating Budget Status Reports

Mr. Bragaw said that they are still in the black and it looks like in spite of everything that they will finish out the fiscal year there.

11. 2019/20 Vehicle Acquisition Plan – Discussion and requested action

Mr. Bragaw explained that this is part of the process that they must go through. This goes to Town Meeting on July 7, 2019. All items are part of the acquisition plan.

****MOTION (5)**

Mr. DiGiovanna moved to authorize the Water & Sewer commission Chairman to include the captioned vehicles and equipment for a value of \$188,661 in the Town authorization process for the 2019/2020 Acquisition Plan and to sign all the necessary agreements and documents to move this forward.

(Items: Ford F350 w/utility body – Water; Ford F350 w/flatbed – Sewer; Ford Escape SE – Water & sewer and EH Wachs Trailer Valve Exercisor – Water & Sewer).

Mr. Jacques seconded the motion.

Vote: 8 – 0 – 0. Motion passed.

12. Spinnaker Sewer Maintenance Agreement – FY20

(Note: Mr. Zoller recused himself from discussion on this item and left the meeting)

Mr. Kargl noted that this is a yearly contract and that they have factored in the labor rate change effective for July 1, 2019.

****MOTION (6)**

Mr. DiGiovanna moved to authorize the Chairman to sign the Spinnaker Sewer Maintenance Agreement as presented for FY 2019/2020 effective July 1, 2019.

Mr. Jacques seconded the motion.

Vote: 8 – 0 – 0. Motion passed.

Mr. Zoller rejoined the meeting.

13. Flanders Road/Gateway Water Main Tapping Sleeve Repair – Request for authorization of funds

Mr. Kargl explained the magnitude of this project noting that it is a \$70,000 repair and is scheduled to commence the following evening. The pricing is based on quotes and the money is to come from the Water Construction Fund (up to \$70,000). He said that he would have to re-organize the items however this fund is for this type of work. This repair is in a crucial area and will make the entire system better.

Mr. Bragaw added that this is 'smart money' and will be done right.

****MOTION (7)**

Mr. Murphy moved to authorize up to \$70,000 from the Water Construction fund for the repair and replacement of the Flanders road tapping sleeve and valve, installation of a new butterfly valve and related work.

Mr. DiGiovanna seconded the motion.

Mr. Jacques suggested that they review the previous part as four (4) years is no way near the life cycle. He would like them to check the warranty on it as they may be able to recoup some of this expense.

Vote: 8 – 0 – 0. Motion passed.

14. Correspondence Log

There were no comments.

15. Chairman's Report

Mr. Nickerson congratulated Mr. Kargl on his first grandchild – a daughter in Oregon.

Mr. Bragaw noted that the Assistant Utility Engineer would be starting on July 15, 2019.

16. Staff Updates

a. Water Department Monthly Report

Mr. Kargl reported that they had more than met their goal of sending water to New London.

b. Sewer Department Monthly Report

There were no comments.

17. Future Agenda Items

Mr. Murphy asked that they discuss setting up a subcommittee for the upcoming Tri-Town Agreement.

Mr. Bond agreed noting that Waterford has posted minutes and has an active subcommittee for this.

18. ADJOURNMENT

Mr. Nickerson called for a motion to adjourn.

****MOTION (8)**

Mr. DiGiovanna moved to adjourn this Regular Meeting of the East Lyme Water & Sewer Commission at 8:10 PM.

Mr. Jacques seconded the motion.

Vote: 8 – 0 – 0. Motion passed.

Respectfully submitted,

Karen Zmitruk,
Recording Secretary

E-0610-013
June 20, 2019

Brad Kargl
Municipal Utility Engineer
Town of East Lyme
Water and Sewer Commission
108 Pennsylvania Avenue
Niantic, CT 06357

EAST LYME WATER & SEWER COMMISSION
JUN 25 2019
AGENDA # <u>13a</u>

Re: **Well 1A and Well 6 Treatment Project
Contractor Bid Evaluation**

Dear Brad:

On June 13, 2019, the Town of East Lyme held the bid opening for the Well 1A & Well 6 Treatment Project. A single bid was received from Carlin Contracting Co., Inc. The bidder, the bidder's bid price, and Tighe & Bond's opinion of probable construction cost are as follows, as well as the Town's estimate of available construction funds which was read aloud prior to the bid opening:

Contractor	Base Bid	Deduct Alternate No. 1	Total Bid Amount
Carlin Contracting Co., Inc.	\$4,822,700	\$195,000	\$4,822,700
<i>Town of East Lyme Available Construction Funds</i>			\$3,582,223
<i>Tighe & Bond's Opinion of Probable Construction Cost</i>	\$3,635,750	\$420,000	\$3,635,750

Attached to this letter is a bid tabulation we prepared that presents a direct comparison of Carlin's bid to the Opinion of Probable Construction Cost in more detail.

With only one bid that exceeds the available funds, changes to the project or re-bidding should be considered. Additionally, we contacted contractors that showed interest in the project but chose not to submit bids in an effort to understand what factors deterred contractors from submitting bids. The results of our review are summarized below, together with recommendations reached.

Bid Evaluation

Based on our preliminary review, Carlin's bid appears to be in conformance with the requirements of the bidding documents. However, as discussed previously, the bid was higher than Tighe & Bond's Opinion of Probable Construction Cost and the Town's available construction funds. Even with the elimination of the deduct alternative, the bid price exceeds available funds.

For comparison, Tighe & Bond's opinion of probable construction cost for the project was \$3,635,750, and East Lyme's available construction funds are \$3,582,223. Furthermore, Carlin's Deduct Alternate No. 1 was much lower than Tighe & Bond's estimate - \$195,000 versus \$420,000.

Based on our experience with Carlin, they have been an excellent contractor, and we are currently working with them on a large wastewater treatment plant upgrade in Southington, CT. However, this project is a relatively small project for Carlin, as evidenced by their list of work in progress submitted with their bid; most being well more than \$10 million. Furthermore, Carlin usually does not construct water mains and would likely retain a subcontractor to perform this portion of the work. Together, these factors may have resulted in a higher bid price.

We contacted Carlin following the bid opening to discuss their bid and the possibility of negotiating a lower price for the work. They stated they felt their bid price was competitive but acknowledged the work restrictions associated with the water main were problematic and increased the price. They also indicated they would discuss negotiating the bid price by eliminating the project scope. However, it was thought unlikely the scope could be reduced enough to meet the available funds while achieving the goals of the project.

Feedback from Other Contractors

Several general contractors, in addition to Carlin, attended the pre-bid conference and submitted questions throughout the bidding period. Tighe & Bond contacted general contractors who showed interest in the project but did not submit bids for the project. We contacted Kovacs, Delray, D'Amato, CH Nickerson, and R.H. White to understand what factors deterred these contractors from submitting bids and determine what changes, if any, should be made to make the project more appealing for bidding. Overall, contractors chose not to submit bids due to the project schedule and the anticipated difficulty of installing the water main given the work restrictions.

D'Amato, Kovacs, and R.H. White chose not to submit a bid due to the timing of the project with their other work. All of these contractors have a significant backlog of work, allowing them to more carefully select projects to bid. D'Amato, however, indicated that they would consider submitting a bid if the project were to be re-bid later this year or at the beginning of next year. Kovacs also expressed that the work restrictions on the project were a deterrent to bidding.

Delray and CH Nickerson chose not to submit bids due to the work restrictions and the anticipated challenges the restrictions would create for installing the water main. Contractors expressed that the short timeline for the water main, the time of year available for water main work, and the safety concerns with the school road remaining open were significant factors in their decision not to bid. The additional work restrictions included in Addendum No. 1 further deterred contractors. However, these contractors indicated that they would consider submitting bids if the road were shut down for at least four weeks over the summer for the water main installation and associated road work.

Recommendation

Understanding that Carlin was the only bidder and their bid price was significantly higher than the engineer's opinion of probable cost, we recommend that the Town re-bid this project. Furthermore, based on feedback received from Carlin and prospective bidders, we recommend that the project scope of work be modified before re-bidding. Specifically, we recommend that the water main connecting Well 1A to the Well 6 WTP be separated from this project. As previously described, the proposed water main was cited by Carlin and the other prospective bidders as difficult to estimate and construct due to the specified work restrictions imposed by the Board of Education and Parks Department. Removing the water main portion of this project should significantly improve bidding participation and result in lower bid pricing.

We further recommend that the water main portion of this project be bid separately, as the water main is required to connect Well 1A to the Well 6 WTP. Also, the work restrictions



associated with water main portion need to be significantly modified. Specifically, the school driveway needs to be closed for construction to allow the contractors with a safe and efficient work zone. We recommend that the school driveway is closed for a minimum of four weeks to allow for the water main installation. Additionally, we recommend the restriction to perform the water main work in the winter be removed.

A final recommendation to consider is combining the water main from Well 1A to the Well 6 WTP with an additional water main from Well 2A to the Bride Lake WTP. This recommendation is based on the need to connect Well 2A to the Bride Lake WTP, to reduce manganese levels associated with Well 2A below the Department of Public Health (DPH) Action Levels. Combining these two water mains will result in a larger project, improving the economy of scale associated with this work. Combining these two water mains is supported by DPH based on conversations with Mr. Raul Tejada, and it is anticipated the additional water main from Well 2A to the Bride Lake WTP will be eligible for funding under the Drinking Water State Revolving Fund (DWSRF).

In summary, our recommendations include:

- Modify the Well 1A and Well 6 WTP Upgrade project, removing the water main portion of the work between Well 1A and the Well 6 WTP.
- Obtain DPH Approval and re-bid the modified Well 1A and Well 6 WTP Upgrade project, without the water main.
- Construct the Well 1A and Well 6 WTP Upgrade.
- Design a combined water main project, consisting of the water mains between Well 1A and the Well 6 WTP and between Well 2A and the Bride Lake WTP. In addition, modify or remove the prior work restrictions of the School Board and Parks Department associated with the water main.
- Obtain DPH Approval and Bid the combined water main project.
- Construct the combined water main project.

An estimated schedule for implementing these recommendations is summarized below:

Estimated Schedule	
Item	Completion Date
Modify the Well 1A and Well 6 WTP Upgrade project	August 2019
Obtain DPH Approval and Re-bid the modified Well 1A and Well 6 WTP Upgrade project	October 2019
Complete construction of the Well 1A and Well 6 WTP Upgrade	Spring 2021
Design a combined water main project	January 2020
Permit, obtain DPH Approval and Bid the combined water main project	Spring 2020



Estimated Schedule	
Complete construction of the combined water main project	Summer 2020 (Well 1A to Well 6 WTP) Fall 2020 (Well 2A to Bride Lake WTP)

We have prepared an updated Opinion of Probable Construction Cost based on these recommendations, as summarized in the following table.

Opinion of Probable Construction Cost	
Well 1A and Well 6 WTP Upgrade ONLY (no water main)	\$3,263,000 ¹
Water Main - Well 1A to Well 6 WTP (without work restrictions)	\$614,000 ¹
Water Main - Well 2A to Bride Lake WTP	\$1,060,000 ²
Combined Water Main - Well 1A to Well 6 WTP AND Well 2A to Bride Lake WTP	\$1,674,000

Notes:

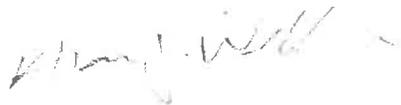
1. Cost includes 10% contingency
2. Cost includes 20% contingency

These costs do not include engineering associated with the preparation of these two separate designs and bid documents, obtaining DPH approval, local permitting, bidding, additional construction administration services, legal services, bonding services and insurance associated with the projects.

We hope this information is useful to you. Please call us at (860) 852-5227 with any questions.

Very truly yours,

TIGHE & BOND, INC.



Al Wells, PE
Senior Project Manager

Enclosures
Copy: Paul Malmrose, PE – Tighe & Bond
Raul Tejada, DPH



Summary of Bids Received		Tighe & Bond Opinion of Probable Construction Cost			Carlin Contracting Co., Inc.	
For: Well 1A & 6 Treatment Project		Job No.: E-0610-013			454 Boston Post Road	
Date: 6/13/2019 2:00pm					Waterford, CT 06385	
Location: Town of East Lyme					Phone: 860-443-8337 x156	
Engineer: Tighe & Bond, Inc.					Fax: 860-443-9638	
Item No.	Description	Estimated Quantity	Unit Price	Total price	Unit Price	Total price
1	Well1A & Well 6 Treatment Project	lump sum	\$3,412,000	\$3,412,000	\$4,573,429	\$4,573,429
2	Rock Excavation (CY)	50	\$80	\$4,000	\$450	\$22,500
3	Additional Crushed Stone (CY)	50	\$35	\$1,750	\$55	\$2,750
4	Utility Allowance	Allowance		\$75,000		\$75,000
5	SCADA Integration Allowance	Allowance		\$40,000		\$40,000
6	Irrigation Well Pumping Tests (DWSRF ineligible)	lump sum	\$18,000	\$18,000	\$24,021	\$24,021
7	Irrigation Well Pumping System Allowance	Allowance		\$65,000		\$65,000
8	Traffic Control Allowance	Allowance		\$20,000		\$20,000
Total Amount of Bid				\$3,635,750	\$4,822,700	
D1	Deduct Alternate 1 - 4th Filter	lump sum	\$420,000	\$420,000	\$195,000	\$195,000