

**Water/Wastewater Commissioners’  
Meeting Minutes  
September 19, 2014**

Present: Michael E. Putnam, Chairman  
Dale A. White, Vice-Chairman  
Robert E. Courage, Member  
David Boucher, Director  
Evelyn Gendron

**Call to Order**

Chairman Putnam called this meeting to order at 9:02 a.m. and asked Director Boucher to summarize direction received from town counsel regarding the Dram Cup Water Tank Lining Project status with respect to the bid and the bid decision made.

Director Boucher briefed the commissioners regarding Attorney Drescher’s prepared, formal resolution to be read during today’s meeting and documented within the September 19, 2014 commissioners’ meeting minutes in follow-up of the Board of Commissioners’ September 2, 2014 meeting specifically concerning the reference to the Dram Cup Water Tank Lining Project rebid decision. Mr. Boucher instructed the commissioners to make a motion after reading the prepared resolution to formally retract and to document the retraction of the previous Dram Cup Water Tank Lining Project bid decision. Mr. Boucher advised he had received one sealed bid proposal intended for today’s project rebid opening previously advertised by Mr. Chris Berg, Wright-Pierce, and that this sealed bid proposal would not be opened today as correspondence would be forwarded to the three companies who had previously bid for the project in addition to six companies being formally invited to bid again, for a total of nine companies being welcomed to submit bids.

Commissioner Courage inquired when the next bid opening would be held. Director Boucher answered the bid could be held next Friday, September 26<sup>th</sup> or earlier.

Commissioner Courage made the motion to rescind the vote taken on September 2, 2014 relative to the Dram Cup Water Tank Lining Project repairs. The project had been awarded to the second bidder, the John Egan Company, and the commission rescinds that action taken. Vice-Chairman White seconded the motion. Commissioner Courage read the formal resolution, appearing verbatim below:

Mr. Chairman, I ask that the commission consider the following. The original bid specs that were submitted contained a provision regarding the manner of coating the interior tank lining but it is now clear that that particular specification was unnecessarily rigid in that it did not consider other potential alternatives to the coating process that would be acceptable and potentially less expensive. This fact was not initially evident when the respondent bids were considered and the low bid was tentatively accepted. Upon investigation of the low bid it became evident that that bidder had based its bid on a proposed compliance with the coating specification that was not consistent with the original specification. As a consequence the Board revoked its original

acceptance and considered tentatively accepting the next lowest bid which was considerably higher and, more importantly, exceeded the amount of money that the board has committed to this project. Upon further investigation and discussions with the Board's consulting engineer, it has become apparent that the coating specification identified above was more rigid than necessary and that it is possible that a specification that calls for a wider range of coating solutions could result in a perfectly acceptable job while also potentially lowering the cost of the project so as to make the same more affordable to the board. Based on these facts, I move as follows:

That the Board vote to withdraw all awards and proposals and cause the project to be reviewed by our consulting engineers in order to prepare and propose a specification regarding the acceptability of the material used in the coating of the interior of the tank so that the same will allow for a wider range of acceptable solutions and request that when this is accomplished, that the board's consulting engineer be advised to re-advertise the project for bids. The Board should also communicate this to all respondents in the original bidding process, inviting them to participate in the renewed bidding, thanking them for their responses to date and apologizing for any inconvenience.

Chairman Putnam said the motion has been made and seconded. He asked "All those in favor?" Unanimously, Chairman Putnam, Vice-Chairman White and Commissioner Courage responded "Aye." Chairman Putnam asked "Opposed?" There were no responses.

Director Boucher said he would have correspondence sent immediately to the three companies that had bid. Chairman Putnam asked him to thank them for their bid responses and to apologize for any inconvenience. Mr. Boucher agreed. Mr. Boucher said now a bid opening date is needed.

Commissioner Courage asked where the action to rescind the bid decision made September 2, 2014 place D N Tanks, the low bidder, now that their bid is public knowledge. Director Boucher said the two other companies who had submitted bids have knowledge of D N Tanks' original bid amount, having made telephone inquiries following the bid opening, and that a representative of the John Egan Company had followed up with a personal visit. Mr. Courage then asked what might have been the ramifications had, worst case scenario, D N Tanks had originally bid this project in accordance with the specifications and hadn't offered an alternative, and had been in the range of \$300,000 along with the rest of the bidders, what would we have done? He said, in other words, the red flag that had been raised was due to D N Tanks having bid what they thought was an acceptable solution to what we wanted done. Mr. Courage then added, as a subsidiary of Natgun, who had built the Dram Cup water storage tank, what if D N Tanks had reviewed the tank specifications and decided Milford didn't require all that was being called for, and submitted a \$325,000 bid, Milford could have been paying for a lot more money had a red flag not been raised due to DN Tanks' low bid. Vice-Chairman White said D N Tanks should have bid what was specified in addition to having included an alternative, however, that is not what had been done. Mr. White said D N Tanks had chosen to submit a bid for a different process and, in doing so, exposed the red flag. Vice-Chairman White asked whether the plan is to now bid this project with two prices, one for the fall of 2014 and one for the spring of 2015 and Director Boucher said yes. Mr. White said it would be better for the budget if this project is executed in the fall, weather permitting.

**Future Appointments/Meetings:**

The next regular Commissioners' meeting will be Tuesday, September 30, 2014 at the Water Utilities Department, 564 Nashua Street.

**Adjournment:**

Commissioner Courage made the motion to adjourn the meeting at 9:15 a.m. Vice Chairman White seconded the motion. All voted in favor.

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Michael E. Putnam, Chairman

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Date

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Dale A. White, Vice-Chairman

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Date

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Robert E. Courage, Commissioner

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Date