



Report of the Town Manager

August 8, 2016

1. Financial Updates-

- a. I met with the Town and School unions last week and presented the cost sharing calculation completed by the Town's consultant, Cook & Co. When comparing the FY17 Blue Cross rates to the FY17 GIC rates the Town will save an estimated \$798,147. Per agreement the employees receive a one-time payment of 25% of that savings or \$199,537. Based on the number of single and family plans an employee on a single plan received \$500 and a family plan received \$1,000. The unions agreed with the calculation and the current employees received their check on August 4th. Retirees will receive their check by the September 15th deadline due to the additional work required to pay them because they are set up in the Town's financial software as an employee or vendor. I expect the retiree's checks to be distributed in late August.
- b. The first quarterly water and sewer billing was mailed on Friday. Bills are due on September 5th. The bill has some information in it about the shut off policy

2. Personnel Updates-

- a. The Library Trustees and I will be interviewing the two finalists for the Library Director's position on Tuesday evening, August 9th.

3. Project Updates-

- a. The Transfer Station has not moved to single stream yet. The State needs to approve the proposed changes. Al Gallant expects to receive the State's approval in the next couple of weeks. While we are waiting for approval the new electrical line that is being run for the recycling compactor and the new cement pad for the same compactor is being installed next week.
- b. The library project has begun to receive bids from subcontractors. Sub bids were due July 27th and the results were mixed. Only a single bid was received in four out of the five categories and two of them – electrical and miscellaneous metals – were way above our estimate. The architect and OPM have been working on a way forward and have found one, as explained below.

A similar situation occurred with the police station project and Ted worked closely with Deborah Anderson in the Attorney General's Office on an approach that we will also follow here. We have had several email exchanges with Ms. Anderson and Ted and I had a conference call with her this morning in which she endorsed the approach under the current circumstances.

In brief, we will reject the bids in the two categories – Miscellaneous Metals and Ornamental Irons, and Electrical – for “insufficient funds.” We can do this because it is clear that if we proceed with those bids the Town will not be able to do the project – they're budget busters.

We will issue an addendum to prospective bidders and provide them with an allowance – a fixed dollar amount – that they will carry in their general bids which are due a week from today. Ted and I still have to finalize those allowances in consultation with Abacus' cost estimator Tim Brown (North Bay Construction Consulting). I reviewed the situation, estimates and bids with Tim and he agrees with our general approach to carry allowances north of the estimates but well below the bids.

General Contractors submitting bids will include the dictated allowance amounts for Electrical and Misc. Metals in their bid amounts along with the amounts for the three approved sub-bid categories. Once a qualified low bidding General Contractor is selected that contractor will solicit three qualified price proposals for each of the two categories and the project will go forward with the lowest qualified bid for Electrical and Misc. Metals. The contract price will be adjusted up or down based on how those prices compare with the dictated allowances.

We think this is a positive way forward and are pleased that it has already been vetted by the Attorney General's office. Keep in mind, however, that we will not know the full cost of the contract when bids are opened next Wednesday. We will need to await the results of the subsequent solicitation of electrical and metals prices by the GC to ascertain the actual contract price.

- c. The Town Hall furnace project is out to bid. Contractors have been picking up plans and touring the building. Bids are due August 22nd.

4. Miscellaneous Updates

- a. I have been asked by the owner of Mylec Corp. to visit their facility. I am going to their facility on Monday, August 8th. While I am there I plan on speaking to the owner about their TIF and the letter received from the State seeking revocation of the TIF. I will update the Board on my conversation with the Mylec owner next week.
- b. I met with representatives from the Montachusett Veterans Office who are interested in seeing if the Town would be willing to consider redeveloping

the Streeter School into veterans housing. I suggested that we should meet with Dave Connor to discuss the options and make a presentation to the Selectmen for your consideration and direction.

- c. Upgrades to the control room for the two meeting rooms are underway. Included in the upgrade is scheduling software that will allow staff to program meetings etc. for rebroadcast as often as appropriate. Margaret and Linda will be developing a master schedule and program in all of the recurring monthly meetings. Once the recurring meetings are in place, they will add consistent rebroadcast time for meetings and shows to be replayed during the week. A video camera was also purchased which can be signed out by residents who would like to tape an event to be broadcasted on the local access channel.