

January 9, 2017
EXECUTIVE MEETING - #1
Town Hall, 1 Avenue A, Turners Falls, MA
9:30 PM

Present: Selectpersons: Chris Boutwell, Michael Nelson, Chairman Richard Kuklewicz, Town Administrator, Steve Ellis; Executive Assistant, Wendy Bogusz, Bob McDonald, WPCF Superintendent; Paul Gilbert and Bob Button, CDM; On Phone: David Doneski, KP Law

RE: Executive Session under G.L. c 30A, Section 21 (a)(3) to discuss potential litigation, regarding Penta Corporation, Votes may be taken

Documents and Exhibits: Handouts with 3 repair options

Doneski: We have today from Paul and Bob three repair estimates, which include contingency costs and additional costs that the Town would be looking at, most notably the cost to maintain the plant while portions of it are under repair. For the purposes of our upcoming mediation, one of the things that we need to disclose confidentially to the magistrate who will conduct this on behalf of the court is a number that we think would be a "fair number," and secondly a number that we would be willing to accept in settlement.

Discussion ensued about the differences between Options A, B, and C, and the costs associated with the work and materials involved.

Ellis: If it's at about \$250,000 for Option B as David described, and Bob feels that there's an additional \$25,000 that could be bled out of that, are we talking about a \$225,000 figure as being a realistic cost that we could use as a basis for coming up with our two numbers?

Kuklewicz: Where did this \$400,000 number come from?

Button: We did a full and detailed estimate of all of the options, and we added contractors' overhead and profits, insurance and bonding and things that come up with the various numbers, then we added a contingency to that, as well as bid documents and specs. Paul and I went back and said, "Could we shave it back down a little bit?" Also, David had brought up that the original numbers that had already been given maybe weren't as accurate with respect to maintenance and plan operation, contingency, bid documents, etc.; that if we were too low before, maybe a bit too conservative now, what's some reasonable number that we can get to between that? Reducing some contingency, reducing some of the oversight, and looking at some things that the Town could maybe do, we came up to about \$250,000 to \$275,000.

Doneski: The numbers that we're talking about are purely for the mediation and settlement discussions. From my experience, I have the sense of when you're looking at what the actual costs could be and what is a reasonable number to take in settlement of that, knowing that 99 times out of 100 (1) you wouldn't recover the entire amount and (2) you expend money getting to that point, it's appropriate to take into consideration some discount factor.

Kuklewicz: I would be in favor of \$200,000, and then the Board of Selectmen will authorize the Town Administrator to have a discussion with the attorney if they can't arrive at \$200,000.

Nelson makes a motion to authorize David Doneski during negotiation to accept no less than \$200,000 and to request \$250,000. Boutwell seconded, unanimously approved. Nelson - Aye, Boutwell - Aye, Kuklewicz - Aye.

Approved:

Boutwell

Kuklewicz

Nelson

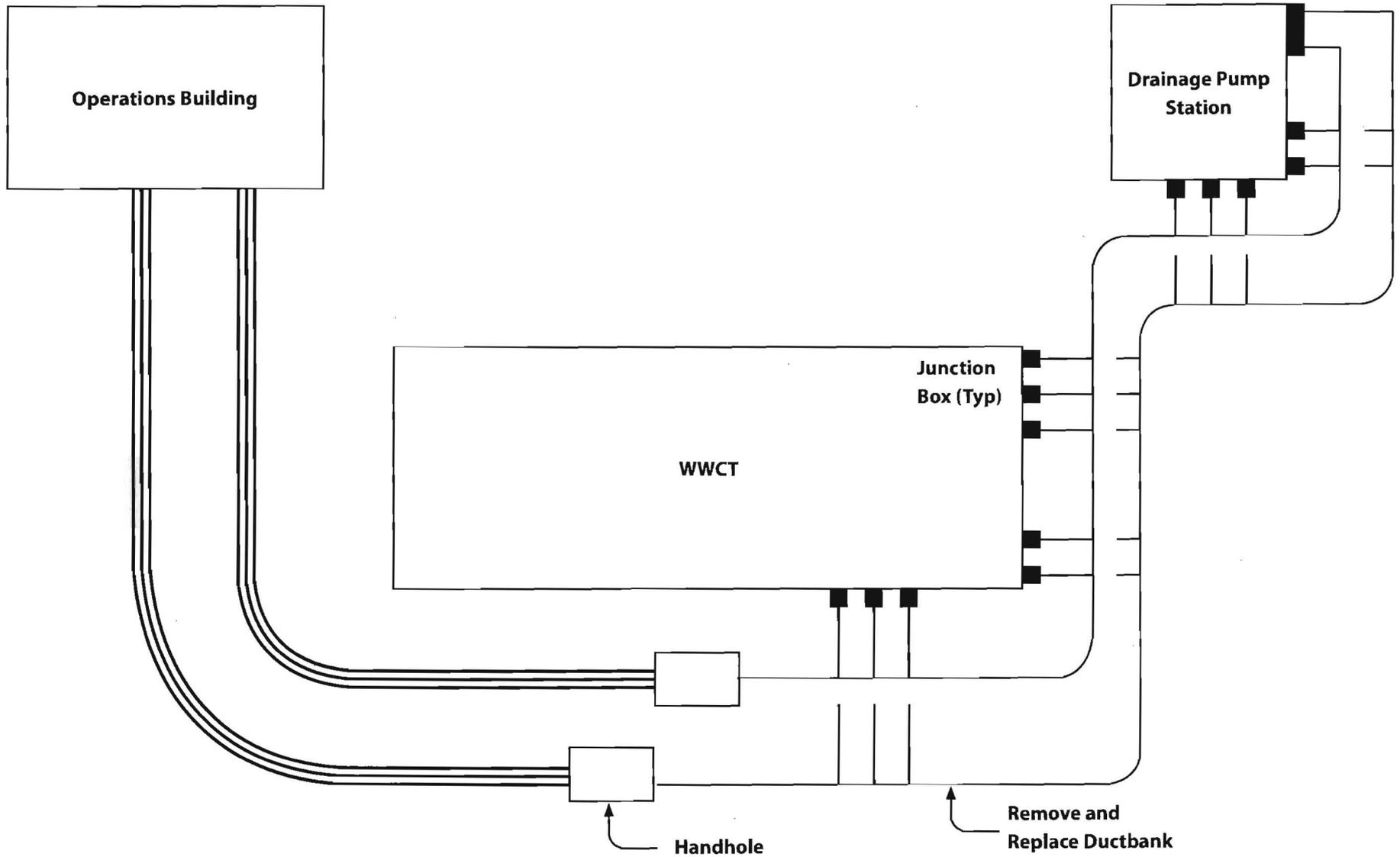
Release to the Public:

Yes

Not Yet

4/2/18 Date

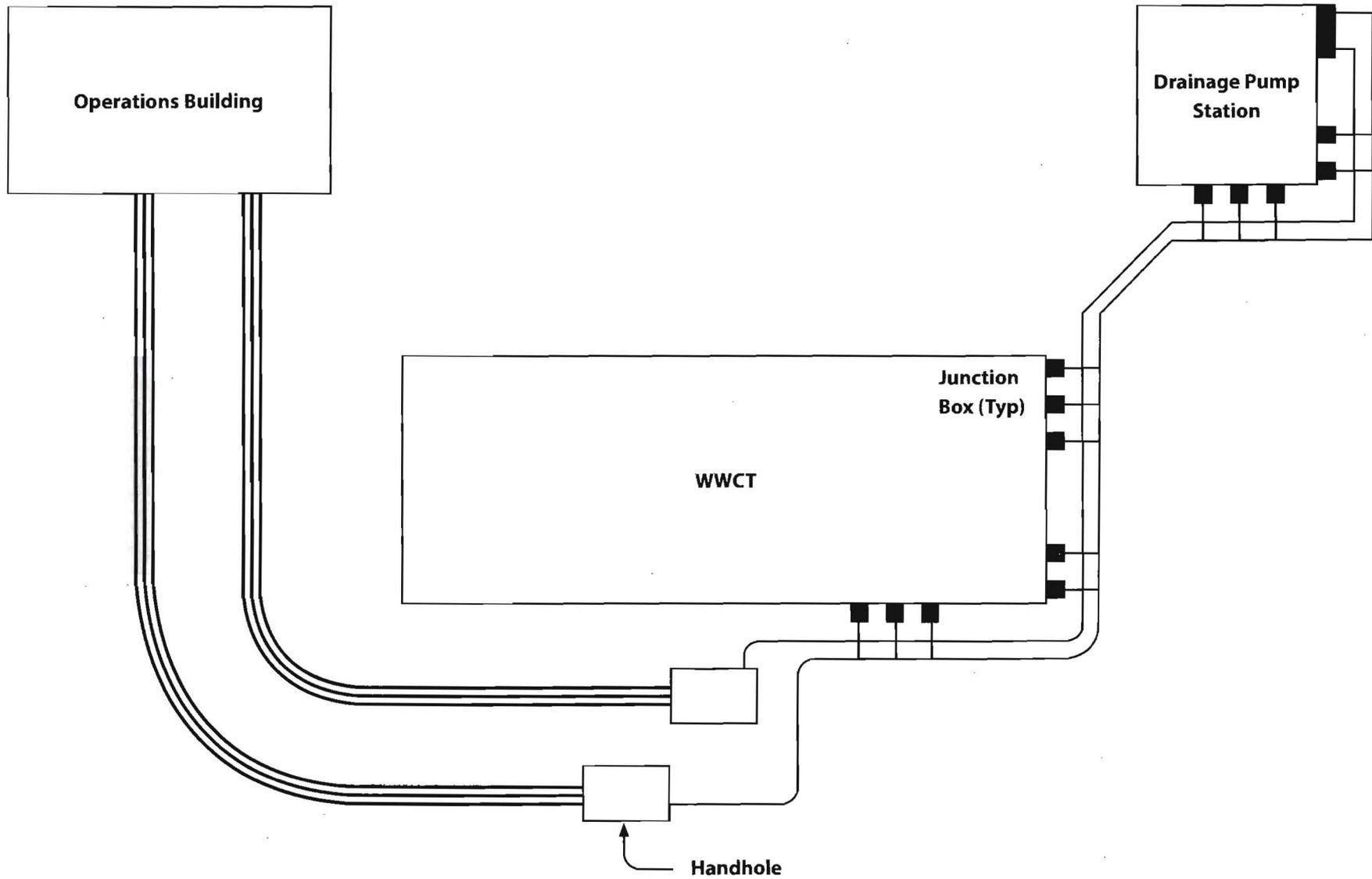
Date Released to the Public: 4/3/18



Option A:

- Excavate and remove duct bank from handholes to WWCT and Pump Station
- Install new conduits to WWCT and Pump Station, encase in concrete
- Remove conductors from Operations Building to handholes
- Install new conductors from Operations Building to WWCT and Pump Station

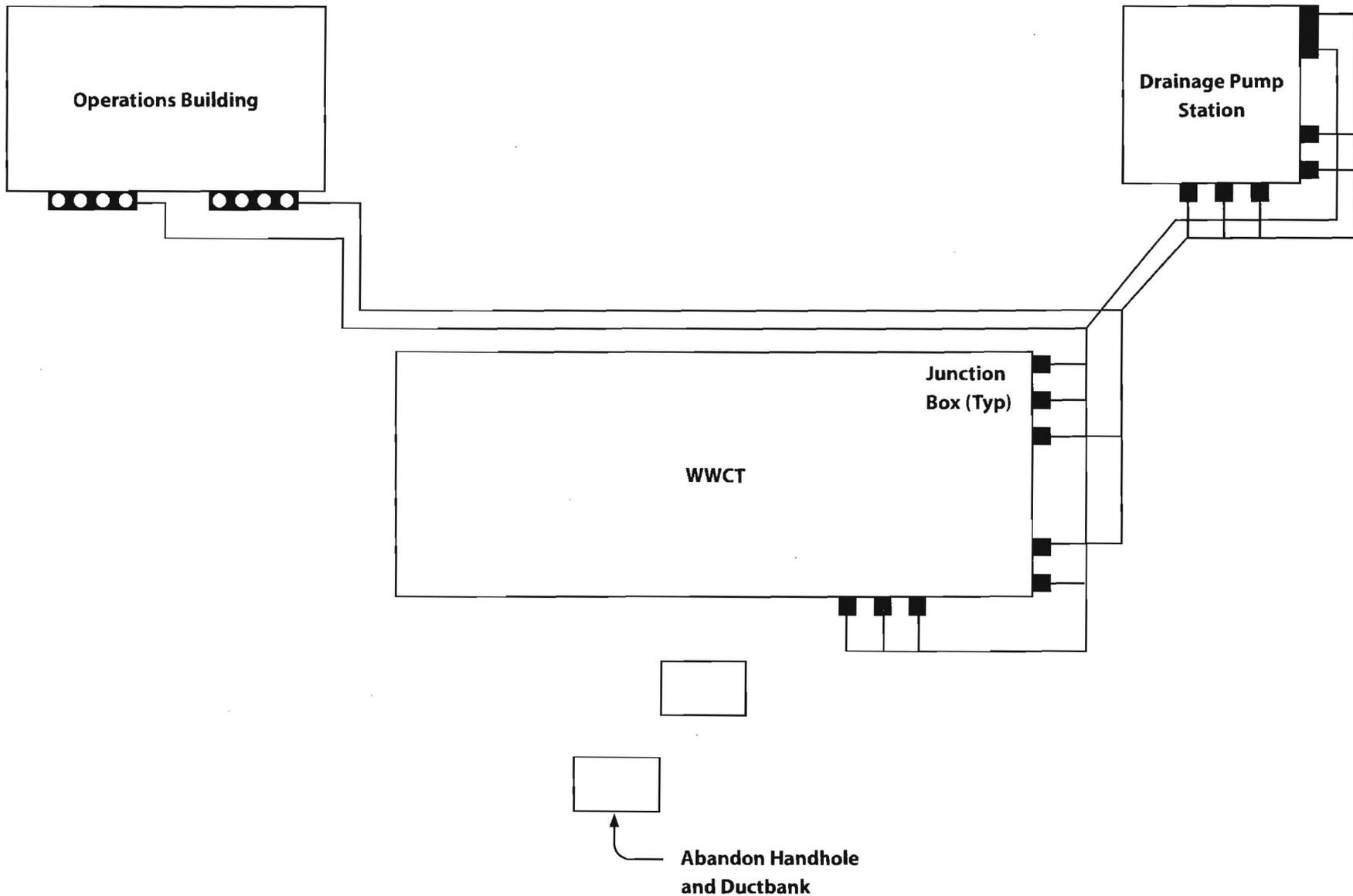
\$390,000



Option B:

- Abandon ductbank from handholes to WWCT and Pump Station
- Install underground conduits from handholes to WWCT
- Install conduits along WWCT sidewall to junction boxes. Route conduits from WWCT junction boxes underground to Pump Station
- Install new conductors from Operations Building to WWCT and Pump Station

\$ 400,000



Option C:

- Abandon existing ductbank
- Install new above ground conduits from Operations Building to WWCT to Pump Station
- Install new conductors from Operations Building to WWCT and Pump Station

\$ 350,000