

Derby Line, Vermont
Special Informational Trustees Meeting
April 8, 2019
Derby Line Village Hall

Call to Order:

Present were Trustees Richard Creaser, Lindsay Brainard and Keith Beadle.

Also, present were Carmi M. Marsh, Robin Smith, Frank Davis, Karen Jenne, Laurie Moss, Village Clerk & Treasurer, and Madeleine Roy, Assistant Clerk.

The meeting was called to order by Chairman Richard Creaser at 6:30 pm.

Richard noted that the only two items on the agenda for this meeting were:

1. Caswell Ave. Sidewalk Project Final Change Order
2. Stanstead Sewer Treatment Plant Reconstruction

Caswell Ave. Sidewalk Project:

Richard stated that, after 15 months of the project completion, the contractor, J. P. Sicard, Inc., has sent a bill for additional 261 hours of flagging time that had been overlooked. These hours total \$9,397.50, all to be paid by the village as no additional grants are available. This item is reflected in the pending Change Order #3.

By way of explanation, originally flagging had been budgeted at 400 hours. Actual figures came through on Change Order #2 as approximately 1,000 hours and now with Change Order #3, total flagging hours are at approximately 1,300 hours. The project was completed in early November 2017. Yet, no final reports were received until the end of January 2018. The State grant was not in alignment with the contract and the grant amount was for a specific amount rather than a percentage of the total project cost. Entering into litigation to contest this issue would most likely cost more than the actual bill of \$9,397.50.

The original contract price was \$348,316.00 plus the costs shown in Change Orders 1 and 2, bringing the total contract price to \$412,160.00. The State of VT paid 80% of this figure and Derby Line will have paid 20%, or \$82,432.00 plus this \$9,397.50 for a total of \$91,829.50.

Mike Marsh suggested the village have its attorney draw up a letter or legal document stating that this \$9,397.50 is the absolute final payment and have all parties sign it in agreement.

Keith made a motion to accept Change Order #3 and instruct the Chair of the Village Trustees to sign it. After some discussion, Keith amended his motion to include that a release will be drawn up by the village attorney that all parties will sign to finalize the Derby Line Streetscape Improvement Project #STP EH 12(6).

Lindsay seconded. Motion carried.

Stanstead Sewer Treatment Plant Reconstruction:

Richard explained that the trustees met with Stanstead representatives, U.S. and Canadian engineers, State of VT and EPA representatives last week. They were informed that Stanstead has gone ahead and approved the project with a revised more expensive plan than originally thought without consulting or advising Derby Line. The new projected cost in US dollars will be \$5.6 million of which Derby Line will be responsible for half less the Canadian taxes and less the \$500,000 grant promised by EPA, or \$2.1 million. Village voters originally voted in a \$2 million bond, which at the time was thought to be ample to do the project including contingencies. Now, with the increased anticipated costs, the village may have to go back to voters to request an additional bond. Vermont statutes do allow for an additional \$75,000 that can be added to the current bond amount.

Keith noted that the treatment plant was allowed to deteriorate at an alarming rate as the operator either did not have the proper knowledge to keep it in good repair or didn't care to. There are major parts now missing. He also apparently falsified reports to the Stanstead Council along the way. Derby Line has a Memorandum of Understanding (MOU) with Stanstead dating back to 1980 stating that each municipality shares in the costs 50/50. This may change depending on flow rates, which had, until now, never been monitored by either Stanstead or Derby Line. The frustrating issue is that there has never been any communication received from Stanstead. The MOU includes language that flow rates would be regularly compared and the percentage of costs to be adjusted accordingly. This never happened.

Karen Jenne suggested that a new MOU be drawn up specifically stating that flow rates would be regularly monitored and payment is to be made based on those flow rates.

Needed now from Derby Line is whether or not to give Stanstead the go-ahead to send the project out to bid. As disturbing as the increased project costs and lack of communication are, we must have a plan in place no later than June of this year in order to still be eligible for the \$500,000 grant. Stanstead is required to pay 20% and the Canadian government will pay 80%. Derby Line, on the other hand, is required to pay \$2.6 million less the \$500,000 grant, or a net of \$2.1 million, which amounts to 75% of half the project.

Frank Davis suggested that, unless there is a specific law prohibiting it, the project bidding should be advertised on both sides of the border. Richard agreed that we should tell Stanstead that this is our requirement.

They are hoping to break ground on this project in late summer 2019 with completion in 2020.

Mike Marsh suggested a letter go out to all Derby Line sewer users with the next billing explaining this reconstruction project and related expected costs.

Lindsay made a motion to allow Stanstead to send out the bid request for the reconstruction of the Stanstead Sewer Treatment Plant with the contingency that Stanstead change the documentation to include the required use of American or Canadian steel by declaring its origin and to allow bids to be submitted by American contractors as well as Canadian contractors.

Keith seconded. Motion carried.

The meeting was adjourned at 8:05 pm.
Respectfully submitted,

Madeleine C. Roy, Assistant Village Clerk