

Approved

**FIRE STATION BUILDING COMMITTEE**

**MINUTES**

**JANUARY 27, 2014**

Member Attendees:

Jeremy Januskiewicz  
Steve Webber  
Halsey Platt  
Val Prest  
Don Black  
Susan Daly  
Michael Bouchard

Board of Selectmen Attendees:

Peter Cunningham  
Jack Petropoulos  
Joshua Degen

Meeting was called to order at 9:03 AM

Mark Haddad briefed the Building Committee and Board of Selectmen on the progress of fire station construction and of discussions with Western Surety.

- Progress on the station construction has been good. There are 25-30 people per day on-site. The building is watertight. Estimated that the project is 65% complete. Despite the issues with TLT, sub-contractors are still executing, largely based upon the Town's involvement.
- TLT Construction, Inc.
  - In August, the Town has an agreement and a process with TLT for oversight in paying sub-contractor bills. Since then, 3 checks have "bounced": Capeway Roofing, Spillane Construction and Dandis Painting.
  - Western Surety has directed the Town to stop paying TLT. The Town is to "direct pay" the sub-contractors.
  - On December 23, TLT notified the Town that they could not make their payroll, and that all employees are laid off. The Project Manager (Robert Garside) and the Project Superintendent (Joseph Tassone) have been hired by the Town to complete the project.
  - TLT is considered by the Town to have abandoned the job.
- A plan of action needs to be developed with the binding company. Fundamentally, one of two plans will emerge. Western Surety could take over the project. The Town expects that this

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would dramatically delay the project. The second plan would be that the Town takes over the project. However, if this were to be done, the Town would want payment from the surety that projected shortfalls based upon TLT estimates and performance are covered.

- The latter plan is the preferred option. The project is 65% complete, and progress is being made daily. The Town and Western Surety would both like the project to go forward. The current projected end date is May 20, and is likely to be met if the Town takes over the project.
- To engage with the Western Surety, the contract with TLT would need to be terminated . Western Surety will want release from the performance bond. Western Surety agrees that any defaulted payments which occurred before December 23 will be paid by the surety under the payment bond. Currently, \$140,000 is known to be outstanding.
- The project budget has been reviewed in detail by Mark and Robert Garside, along with Patricia DuFresne and Michael Bouchard. The original Schedule of Values and authorized change orders have been updated with payments made to date so that the remaining balances are known. Estimates for remaining work are developed, and continue to be refined. Bids continue to be solicited for much of this work so that costs can be “fixed”. It is now known that TLT underbid drywall, siding and landscaping by \$140,000 (note: not the \$140,000 mentioned above). This information is needed to negotiate with the surety company.
- The Building Committee and Board of Selectmen members agreed that the Town taking over the project was the preferred option, if the Town’s risk can be mitigated.
- Actions – Mark Haddad:
  - Termination of the TLT contract as still protects the Town
  - Investigate if any liquidated damages (for not meeting the project original end date) are due the Town
  - Negotiate a monetized punch list
  - Negotiate payment to the Town if the bond were to be released.
  - Negotiation of performance bond release with Western Surety
  - Investigate the warranties which would be owed to the Town should the Town take over the project
  - Is the Town eligible to bond itself for the remainder of the project?