

TOWN OF BAILEY

The Special Meeting of the Bailey Town Board was held in the Bailey Town Hall on December 27, 2018 at 6:00 pm.

The following members of the Bailey Town Board were present: Mayor Pro Temp Dwan Finch, Commissioners Allen Daniels, Joel Killion, Shelley Bullard and Town Administrator Timothy Johnson. Mayor Richard Thomas and Commissioner Jerry Bisette was absent from the meeting.

Called the meeting to order:

Mayor Pro Temp Dwan Finch called the meeting to order.

Agenda items:

Mayor Pro Temp Dwan Finch asked the Board if there were any questions. She then asked for explanations from Administrator Johnson. Administrator Johnson told the Board the David Honeycutt with McGill Associates called the day after the regular board meeting in December to ask if the Board had approved the Resolution of Tentative Award document. Administrator Johnson advised Mr. Honeycutt that he had not seen this documentation but began looking and discovered that it had been sent into the email systems spam folder. Upon finding the paperwork Administrator Johnson sent this information to the Board on December 18, 2018. Administrator Johnson advised the Board that this is for the Water Filtration Project. He stated that through the bids received that the lowest bid that came in was for \$488,000.00 from ELJ Inc. in Jacksonville, NC. He continued to state that McGill went back to the drawing board with ELJ and NC DEQ to get them to renegotiate down to the \$387,387.66 award amount. This would affect our loan portion of the monies the Town was awarded and also affect the period for which the Town collects on debt service as well. Administrator Johnson then advised that what would need to happen tonight would be that the resolution would need to be read and that he would need to capture all of the votes for yay or nay of either approving or not approving the resolution. Once approved Administrator Johnson stated that he would get into the hands of McGill so that they could meet the deadline for NC DEQ before January 4th, 2019. Administrator Johnson stated that if the Town did not meet the NC DEQ deadline that the Town would more than likely get an extension but going past January 8, 2019 that the contractor could increase their negotiated rates.

Commissioner Daniels wanted to know about why the filtration system that was put in for the Town that was behind his house did not work. Administrator Johnson then stated that neither he nor McGill would be able to answer that question because McGill was not the engineering firm that designed that system. That was designed by WK Dickson.

Commissioner Daniels wanted to know about the maintenance schedule and after the new filtration system was installed would they providing the schedule to Envirolink. Administrator Johnson advised that yes after the installation that the new medium would be placed into operation and that the contractor would be providing the necessary information to Envirolink on when the medium would need to be maintained or replaced. As far as the schedule on maintenance of the filtration system and the medium that he would reach out to David Honeycutt for an answer on that aspect of the Commissioners question.

Mayor Pro Temp Finch asked when the project would begin. Administrator Johnson stated that once this documentation was sent back and approved by NC DEQ that they would be given the green light to begin work.

Mayor Pro Temp Finch asked how long the project would take. Administrator Johnson stated according to the contract specs that it is a 6 month contract period.

Commissioner Daniels asked about the last two pages of the documents that the Board was given because there were two different quotes provided. Administrator Johnson stated that one dated November 8, 2018 was the original quote submitted and the one dated for November 15, 2018 was the revised quote.

Mayor Pro Temp Finch asked that this was part of the bid package that is required. Administrator Johnson confirmed that was correct.

Mayor Pro Temp Finch asked if the references that were provided was the Town responsible for contacting them. Administrator Johnson stated that the engineers are paid to do this.

Commissioner Killion asked that since the modification was down about \$99,000 for material changes and filter equipment modification that these were broad terms that did not provide the specifics of what was being changed. He wanted to know if the Town was looking at a downgrade in quality as well. Administrator Johnson stated that all of the equipment used of the project had to be approved by NC DEQ. So even though they wanted to use metal piping for the original design that in the long run it was not exposed to the elements so why would you need it so NC DEQ approved the redesign with different materials.

Mayor Pro Temp Finch asked if there has been a project on this before because making a decision of this magnitude the Town wants to make sure that this is for the long hall. Administrator Johnson stated that he knew certain parts had been worked on but no a complete filtration replacement. He continued to state that the Town has received NOV's and NOD's from the NC DEQ and that the Town asked for assistance on getting these issues resolved. Administrator Johnson stated that if we do not move forward with the project that NC DEQ could come back and begin fining us for our violations. Administrator Johnson then stated that what makes this opportunity favorable is because we did not have to go to an outside financing option. Since we utilized the SRF for this opportunity we do not have to pay interest and pay it all back with our debt service.

Commissioner Killion asked for clarification on Article 6 section 1. Administrator Johnson stated that this means for that the contractor has 165 days to complete the substantial work and that 30 days after that the Town will have paid them out to clear the file. This is so that once the file is complete NC DEQ can forward the information over to the Treasurer's office so that they can begin sending us debt service payment request.

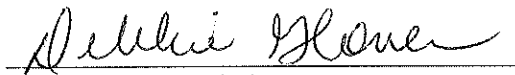
After the Resolution for Tentative Award was read by Mayor Pro Temp Finch a motion was made by Mayor Pro Temp Finch and seconded by Commissioner Killion. The motion was passed unanimously. (4 affirm); (0 nays)

Adjournment:

There being no further business, Mayor Pro Temp Finch made a motion to adjourn. Commissioner Killion seconded the motion and the motion unanimously passed. (4 affirm); (0 nays)



Mayor Richards



Clerk