

**TOWN OF TUFTONBORO
BOARD OF SELECTMEN
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**Selectmen's Meeting
10:30 am – Town Offices**

Friday, July 29, 2016

MINUTES

Present: Chairman Carolyn Sundquist, Selectman Lloyd Wood, Selectman Bill Marcussen and Administrative Secretary Karen Koch.

Chairman Sundquist called the meeting to order at 10:30 am and proceeded with the Pledge of Allegiance.

At approximately 10:32 am, Chairman Sundquist made a motion to enter a non-public session per per RSA 91-A: 3 II (a) to work on an employee evaluation, seconded by Selectman Wood with all in favor. Roll call vote: Sundquist – Yes; Wood – Yes; Marcussen - Yes.

At approximately 11:17 am, Selectman Wood made a motion to leave the non-public session and move back into public session, seconded by Chairman Sundquist with all in favor.

The Selectmen signed checks until their 11:30 appointment with Meredith Village Savings Bank.

Representatives from Meredith Village Savings Bank (MVSb) met with the Selectmen, Treasurer Jack Widmer, Town Clerk Heather Cubeddu, Tax Collector Jackie Rollins and Administrative Assistant Diane Falcey to discuss the Town's future banking needs. MVSb is moving into the banking space in Melvin Village during the first half of October.

All attendees introduced themselves by name and position. Jack Widmer opened the conversation to discuss the relationship that the Town may be able to establish with Meredith Village Savings Bank. He shared that he met with People's Bank and mentioned their offer to retain the Town's business, the biggest benefit of which being no fees for any services, including check scanning, etc.

He asked MVSb for their proposal for check scanning, fees, interest bearing money market accounts, etc. Though Mr. Widmer showed his support of MVSb being a local bank, he shared that these other factors are important when making a final decision.

Marcus Weeks, of MVSb, explained that he viewed this meeting as a means to collect information and MVSb is not yet prepared to share a proposal as they haven't reviewed our transactional business yet. Mr. Weeks asked the group to share their concerns and questions with his team in order to collect information. Mr. Widmer expressed concern with the amount of time that it takes to scan checks in person at MVSb versus People's. Mr. Weeks explained that the process that is done at the teller window involves additional check and balance functions. He shared that if checks are scanned remotely at the Town Offices the process would be much faster as the verification process is done by the MVSb proof department, not at the point of scanning.

Heather Cubeddu spoke of moving to the State "one check" system and setting up of online payments. MVSb is very familiar with these processes and would be supportive with the transition.

Diane Falcey spoke of payroll and accounts payable concerns. Mr. Weeks feels that more than likely payroll information can easily be moved over. MVSb can help with the cash management of payroll tax deposits as well. There was discussion regarding the administrative functions of controlling transaction limits as well as dual approval procedures.

MVSb also has credit and debit card services available if this is something the Town wishes to pursue.

Mr. Weeks shared that a formal proposal will be ready next week but today he is committing to no costs to the Town for doing business or for switching over, including remote depositing equipment and support. He does need to do a further review of the Town's money market account to give a clear proposal for that aspect of their offer.

Chairman Sundquist and Selectman Wood met with Steve Pacsay, owner of Integrity Earthworks and their estimator, Doug Phillips. (Selectman Marcussen was unable to attend this portion of the meeting.) Mr. Pacsay asked to meet with the Selectmen to express his concerns of their recent decision on the award of the Lang Pond Road project and to get a further understanding for the basis of Integrity Earthworks' bid being rejected. He read aloud his email that he sent to the Selectmen. The verbiage in the bid requirements did not require a bid/performance bond for the project, which his company is willing to provide if required. He understands that when his company asked if they could add the cost of the bond to their bid they were denied based on the question of whether it was legal or not to do so. He expanded upon his previous management/supervisory experience in the heavy construction industry with degrees of difficulty, deadlines, and dollar values far in excess of the Lang Pond Road project. He views this project as a critical stepping stone in the growth and presence of his company and stated that this was considered part of the strategy when placing a value on this project. He expressed his confusion on the outcome of the decision made and is contemplating to what degree his company wants to pursue this matter. He asked that the Town research the legality of the decision that was made prior to final contract award. Integrity Earthworks feels strongly that the fair thing to do would be to reject all bids, revise the bid requirements and restart the bid process.

Chairman Sundquist expressed her agreement with Mr. Pacsay and explained that this is why she voted against awarding the bid to LA Drew. She proceeded to read aloud Selectman Marcussen's statement. His primary reason for not supporting award of the contract to the lowest bidder is that he doesn't believe that the low bid is "responsible." Doug Phillips responded by stating that no pre-qualifications were asked for as part of the process therefore all bidders had to assume that they were qualified. Mr. Phillips went on to explain that 25% of their business is in much larger commercial projects and their bid form references such. They feel that they are very qualified for this project. Mr. Phillips commented that Selectman Wood stated that the RSA was clear on the requirements of a performance bond over \$35,000 but didn't know of a solution without redoing the paperwork. Mr. Phillips feels that the process should be redone and a pre-qualification process done for each bidder. Mr. Pacsay explained that he is aware of the perceived capacity of his business within the community, so when he knew that his company had the low bid he reached out to Jack Parsons twice (as well as Norway Plains) and asked to meet with him and the Selectmen, if necessary, and it was denied both times, stating that there was no need to do so. Mr. Pacsay expanded on his past experiences of large responsibility pertinent to this type of project.

Selectman Wood thanked them for stepping forward and complimented Mr. Phillips in terms of acting as their agent. He feels it is important to stay fair and open. He spoke of RSA 447:16 and the notes of the decisions that were made in terms of this RSA, particularly #4 Bond-Generally, given that a general contractor was required to obtain a bond under RSA 447:16, which bond stated that if there are conflicts between the terms of the understanding and the statute, the statute should be resolved in favor of the statute and #7 Bond Provisions, this section did not require the terms of the bond required to be read into a contract with the Town. He reiterated his duty is to follow the letter and spirit of the law. He said that the Town cannot, after putting one set of specifications out to bid, decide to accept a bid and then calculate it differently. Although he confirmed that they can be rejected legally. He also read aloud the minutes of the July 26, 2016 meeting where Mr. Phillips noted that they feel that their interpretation of the bid form should not slow the process of the project and they are happy to accept the Board's decision without recourse or any question. Mr. Pacsay acknowledged this.

Chairman Sundquist read the motion that was made by Selectman Marcussen at the July 26th meeting bringing attention to the point that the motion made was not a result of the bond not being included.

Selectman Wood moved that the Selectmen reconsider their actions taken in terms of awarding the Lang Pond Road project, seconded by Chairman Sundquist. Vote passed 2-0. The Selectmen will reconsider their decision at their Monday morning meeting.

Mr. Pacsay stated that he is not asking that his company gets the job. He is just asking that the Town redoes the bid process and makes the bid process clear.

At 12:52 pm, Chairman Sundquist made a motion to adjourn, seconded by Selectman Wood. Vote passed 2-0.

Respectfully submitted,
Karen Koch, Administrative Secretary