

Water and Sewer Committee Meeting
April 5, 2018
11:00 a.m.

The following were in attendance:

Bob Sandifer, Bob Renner, Laurie Sanders, Charles Kerekes, Committee Members; Iris Hill and Bob Doub, ex-officio. Davis Rizer, Sean Stanford, Lindy Cummins and Greg Sams; members of the design team and Arnold Ellison, Town Consultant, via conference call. Absent: Jody Kleckley, Committee Member

Chairman Sandifer called the meeting to order. Charlie Kerekes moved to approve the minutes of February 23, 2017. Bob Renner seconded the motion, which was approved 4 – 0.

The design team introduced themselves. Davis Rizer updated the Committee on the water improvement project and distributed handouts that are attached to these minutes. The 60% design schedule was included in the handouts, which shows construction starting in the next few months and completion in mid-2019. Also included in the handouts was a spreadsheet showing a list of potential subcontractors. The design team will be soliciting bids from the list of subcontractors further along in the design process to make sure the Town is getting the best value. Chairman Sandifer recognized Tommy Mann, who asked the design team why there was no one listed on the perspective bid list for the reverse osmosis portion of the project. He stated he knew Harn R/O is a member of the design team, but the R/O “represents about 30% of this project. Why is there no bid list for them?” Mr. Rizer stated that Wharton-Smith did not have a written agreement with Harn. Sean Sanford of Wharton-Smith stated, “We have not solicited for the actual equipment being provided. They did all the upfront work for the design.” Chairman Sandifer asked, “Harn is supplying the equipment?” Mr. Stanford replied, “We have not given Harn a go ahead with the equipment supply yet, we’re waiting for the design to be completed. Our goal is to use Harn. They’re a part of our team. But we need to show the Town they are getting the best value for it. In order to complete our design, we’re allowing them to proceed with the design to assist Thomas and Hutton with getting enough information to go to the state for permitting. That’s the only part they’ve been released on. Mr. Mann asked, “How are you going to get competitive bids when they’re designing it?” Mr. Stanford replied, “We haven’t crossed that bridge yet. We’re working hand-in-hand with Iris and her group...Harn’s pricing will be open book, you can see the added value, we can take it as far as we want in order to prove that.” Mr. Mann stated, “As an outside person and somebody helping pay for this through rates, I just have a difficult time believing that you can go to one source, let them design it and let them furnish it and you are going to get the best price.” Administrator Hill added, “Harn’s pricing was included in their guaranteed maximum price that was supplied by Wharton and Smith, and that’s what we based our bonding on.” Mr. Mann added, “Are we the rate payers, and are we the Town going to get the best possible price by selectively doing this, which is basically 1/3 of the project to a designated person and we don’t even check the price? There’s no competitiveness, and I raised this question in a meeting a year ago, I asked, at that time, this exact same question.” Arnold Ellison said, “There are many companies out there doing R/O. It’s really a matter of equipment you’re buying and putting in and putting things together. I have not seen a comparison of Harn’s prices versus anybody else, but I just don’t believe they can be that different, because they all are having to do the same thing.... You are going to get an excellent system, Harn has a great reputation and they stand behind their work.”

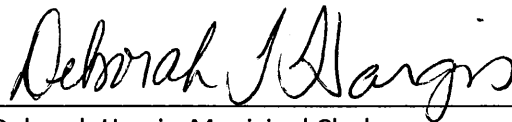
Well #8 (Lee Street) should have a permit to construct from DHEC within a month. After the permit, the team will solicit for bids and analyze the numbers, followed by a pre-bid meeting, then select a contractor and plan the work.

Administrator Hill confirmed to Chairman Sandifer that the lawsuit concerning the R/O property has been withdrawn. The outfall line for the R/O plant has already been permitted, it required an NPDES permit which was obtained through DHEC. Administrator Hill stated, "Because we have the NPDES permit, we have to start testing before it's even installed." The line will go down Loring Street, through the Loring Street beach access and out into the ocean to a twelve-foot depth.

Administrator Hill asked the Committee how often they would like to meet. It was agreed the Water and Sewer Committee would meet quarterly. Thursdays at 11:00 was the consensus. The numbers from Harn should be available within two to three months (by the end of the summer). Administrator Hill said she would send the Committee the bids on the wells. Chairman Sandifer asked the design team to bring numbers from Harn for comparison.

Laurie Sanders moved to adjourn the meeting. Charlie Kerekes seconded the motion, which was unanimously approved.

APPROVED BY THE WATER AND SEWER COMMITTEE

A handwritten signature in cursive script, reading "Deborah Hargis", written over a horizontal line.

Deborah Hargis, Municipal Clerk

April 24, 2018