

TOWN MEETING

615 East Main Street
Thurmont, Maryland

7:00 P.M

NOVEMBER 8, 2016

- 1. **CLOSED SESSION TO DISCUSS THE CONTENTS OF A BID OR PROPOSAL – SESSION TO BEGIN AT 6:00 P.M.****
- 2. PLEDGE OF ALLEGIANCE**
- 3. CLOSED SESSION STATEMENT FOR 11/8/16**
- 4. APPROVAL OF 11/1/16 TOWN MEETING MINUTES**
- 5. DISCUSSION / DECISION – NEW POWER SUPPLY CONTRACT**
- 6. DISCUSSION / DECISION – BID APPROVAL FOR F4 CIRCUIT TIE, PHASE ONE**
- 7. DISCUSSION – UTILITY SERVICE PARTNERS PROPOSAL**
- 8. COMMISSIONERS' COMMENTS**
 - a. Commissioner Buchrer**
 - b. Commissioner Hooper**
 - c. Commissioner Hamrick**
 - d. Commissioner Burns**
 - e. Mayor Kinnaird**
 - f. Jim Humerick**
- 9. PUBLIC COMMENTS**
- 10. CLOSED SESSION TO DISCUSS PERSONNEL**

UPCOMING MEETINGS/EVENTS:

11/12/16 – YARD WASTE DROP OFF

11/12/16 – MUNICIPAL GOVERNMENT WORKS MONTH OPEN HOUSE

11/18/16 – THURMONT MAIN STREET ART & WINE STROLL

11/--/16 – PLANNING & ZONING COMMISSION MEETING (TBD)

11/29/16 – TOWN MEETING – THURMONT THINK PINK PRESENTATION

12/3/16 – CHRISTMAS IN THURMONT

Minutes from November 8, 2016 Town Meeting

A Town Meeting of the Thurmont Board of Commissioners was held on Tuesday, November 8, 2016 at 7:00 p.m. The following were present: Mayor Kinnaird; Commissioners Buehrer, Hooper, Hamrick and Burns; CAO, Jim Humerick; Sr. Administrative Assistant, Becky Long; CFO, Linda Joyce; Samantha Hogan (FNP), Dick Lee, Jim Wilkins, and Tim Vaught.

****Closed Session to Discuss the Contents of a Bid or Proposal – Session to begin at 6:00 p.m.****

Mayor Kinnaird began by saying we opened our meeting at 6:00 p.m. this evening and there was a motion to go into closed session. At 6 p.m. at the Town of Thurmont Municipal Offices, John A. Kinnaird, Mayor of the Board of Commissioners asked to convene a closed session to discuss the contents of a bid or proposal. Mayor Kinnaird made a motion to go into closed session, Commissioner Hooper seconded the motion, all were in favor of the motion, the motion carried.

Closed Session Statement for 11/8/16

Mayor Kinnaird read the closed session statement and said the meeting adjourned at 6:40 p.m.

Approval of 11/1/16 Town Meeting Minutes

Commissioner Buehrer said "I make a motion to accept the minutes as presented." Commissioner Hamrick seconded the motion. Vote – 4-0-1, motion carried. Commissioner Burns abstained since he was absent at that meeting.

Discussion/Decision – New Power Supply Contract

Jim Humerick read the memo that he had sent to the Mayor and Commissioners concerning the Wholesale Power Supply Contract (see attached). The Power Services Agreement between Allegheny Energy Supply Company, LLC (AES)/First Energy Solutions (FES) and the Town of Thurmont will conclude as of May 31, 2017. Per the third round of requested pricing, FES and Public Service Enterprise Group (PSEG) are very close in price. FES has a separate offer on the table which will utilize our existing contract and remove all future risk of market fluctuations. FES has included an offer of \$51.60/MWh which will continue to keep the language in our existing contract in place and place no risk of any changes in the stated pricing for the five year term of the contract. Our current contract price is \$51.65/MWh and if this next lowest offer is accepted, we will realize a minimal decrease in the wholesale rate. So, this evening gentlemen we are requesting that you accept this bid from First Energy Solutions to utilize the language in our existing contract and also to accept the proposed contract price of \$51.60/MWh. As I said this contract expires May 31, 2017, this'll allow us the time to get all of the legal and logistical things taken care of, so we can be ready to move forward with the new contract as of June 1st. Just for the record I'd like to state also that the final price that we received from PSEG was \$52.43/MWh and the contract price for FES was \$51.60/MWh.

Mayor Kinnaird said this contract will go into effect on June 1st of next year and they are calling for this contract to expire in 2022, so that's five years after that date. May 31, 2022 will be the termination date. Is there then like we had on the last contract, is there options to extend the contract. Mr. Humerick said yes, if all parties agree to it. Commissioner Burns said for the public's knowledge we

went into Executive Session to talk about this in detail, which we need to do for contractual reasons. We haven't done this every time a contract expires, sometimes they've come to us and said keep the same rate and we'll extend it for X amount of years, as long as your rate doesn't go up we have rolled with that after consulting with our consultants. This was the one where, very strangely, the best price that we have on the table today happens to be the same provider we use today. They wouldn't extend or give us an extension, they wanted to renegotiate and have us rebid, which cost us a nominal amount of money to go do that, but had they just said hey can we extend your contract for two years, we'd have probably jumped all over it. And we're actually getting a lower cost to the Town to buy that electricity on the rate that we're negotiating or are about to take action on tonight.

Motion – Commissioner Burns said "I'll make a motion that we accept Alleghany Energy Supply Company, LLC dba as First Energy Corporation at a price of \$51.60 per mega watt hour." Commissioner Hooper seconded the motion. Vote – 5-0-0, motion carried.

Discussion/Decision – Bid Approval for F4 Circuit Tie, Phase One

Mr. Humerick stated that a few weeks ago the Mayor and Commissioners approved a bid to purchase some equipment for first phase of the F4 Circuit Tie, so this bid tonight is actually for the construction portion of it. We sent RFP's out for this with a mandatory pre bid meeting and we had three vendors show up at the mandatory pre bid meeting, AUI Incorporated, G.A. Vietri Incorporated and Diamond Electric Incorporated. Those vendors did supply bids to us, however the one from Diamond Electric was chosen as not a compliant bid because of the bidding process that they used, but for arguments sake we listed the bid amounts as they came in. AUI, Inc. bid was \$389,782.00, G.A. Vietri, Inc. was \$218,900.00 and I'm not going to list Diamond Electric since they were determined noncompliant for the bidding process. There was also an ad alternate in this bid for the asphalt work that will be associated with this project. This project is partial overhead, partial underground to tie a redundant circuit into the Catoctin Heights Subdivision. AUI did not provide us with a separate ad alternate price for the asphalt and G.A. Vietri did provide us one for and I'm going to make note here gentlemen on this document I gave you from Downes Associates, the actual bid is \$15,500 for the asphalt not \$15,000 as stated here, but G.A. Vietri bid \$15,500 as a bid alternate to do the asphalt work associated with this project. So, as you can see this is a recommendation letter from Downes Associates, they did all of the background and researched the multiple pages of bid documents and they found G.A. Vietri to be compliant with our bidding requirements (see attached). They are the low bidder, we have used them before, they were the vendor that did the overhead power lines for us as a new primary circuit into our substation. They did a terrific job for us. The only option that I wanted to mention here was, we did list in the bid that we would like to have this project substantially completed by the end of December, Vietri cannot make that deadline, they gave us an alternative deadline of the end of April 2017. In consulting with Downes Associates we felt that was fine, it give us more time to get all of our equipment in, more time for us to acquire the proper permits, so we are okay with that difference in the bid. At this point we're making a recommendation for G.A. Vietri for the entire price of \$234,400 and that's \$218,900 for the construction and \$15,500 for the asphalt work.

Mayor Kinnaird said once again this is the tie-in from the overhead at the Catoctin High School, cross thru the wooded area, go underneath Route 550 and come up in the service box at Catoctin Heights. Mr. Humerick said the underground will start right there about the Catoctin Veterinary Clinic and continue underground there all the way across to 550. Commissioner Burns asked what the asphalt

work was for. Mr. Humerick said they're gonna have to do some test pits, they'll be doing some boring and they have to do test pits, so there will be some asphalt disruption when they do those.

Motion – Commissioner Hamrick said “I’ll make the motion to utilize G.A. Vietri, Incorporated for the total, well let me break it out, \$218,900 for the bid price for the F4 Circuit work plus \$15,500 for the asphalt overlay for a total of \$234,400.” Commissioner Buehrer seconded the motion. Vote – 5-0-0, motion carried.

Discussion – Utility Service Partners Proposal

Mayor Kinnaird said we had a young lady here a month ago from Utility Service Partners that was asking our blessing on their insurance company offering to our residents insurance policies that would cover repair and replacement of water and waste water lines into their residences. The waste water line was from where the cleanout is to where it enters their home and the water line damage was from where the water meter is to their home and they also had a third package that repaired water lines in the home. It doesn't repair any of the damages to the structure, it only addresses water line and waste water line repairs. Her request to us was that they asked that the Town of Thurmont somehow endorse the company as someone that we would have no objection to offering this insurance to our residents. Commissioner Hamrick said they were certified by the National League of Cities. Mayor Kinnaird said the MML and National League of Cities also recognize them as being appropriate. But, again as was pointed out to us by several residents, there are other companies you can purchase this insurance thru, so this in no way requires you to buy insurance from this particular company. You are certainly free to buy insurance from whichever company you want to deal with as far as that kind of policy goes. We thought it was a good idea, because I think all of us here have had issues with infrastructure, water lines broken and if it's on the Town side of the water meter, the Town repairs it and if it's on your side of the water meter, you repair it. And we all know that that can run into thousands of dollars, replacement of a lateral line is 5 or 6 thousand dollars, so if you have an insurance policy to cover that, in the end you come out a little bit cleaner at the end of the issue. The question before us tonight is do we want to approve and provide the Utility Service Partners, Inc. with a letter from the Town indicating that the Town supports their effort, an endorsement. Commissioner Burns said it doesn't mean you have use them, it doesn't mean you should use them, it doesn't mean you're going to get good service or bad service. And if another company wants to come in here and offer and present to us, we may endorse them too, but the National League of Cities has endorsed them, so they've been vetted, so has the MML. For those who don't have means, the price that she quoted was reasonable and yeah can you go out there and do it yourself, this is just part of what we're doing, we're just giving you the information. We're not saying you should, that I would if I were you, none of that, it's just offering a potential service for those that might think it's a good idea. The Mayor then opened it up for public comment.

Public Comment: Dick Lee, 13 Jermae, I think it's a good idea to have insurance on that if you think you need it. I think you should go to your lawyers and find out if you are liable for anything by recommending that if they come out and they mess up. That's the only thing that concerns me, is whether the Town's gonna to be liable for anything because you are backing them. Commissioner Buehrer, Hooper and Mayor Kinnaird said we're not backing them. We're endorsing them, we're saying they can do business. Mr. Lee said I understand that, but I know how the lawyers and the courts work, so that's my suggestion. And there are a lot of other companies that offer that.

Commissioner Burns said if they weren't endorsed by the National League of Cities and Maryland Municipal League, I would absolutely agree with Mr. Lee and we need to go straight to our lawyer, but they have been vetted through them and I'm okay with it. We are endorsing them doing business, not endorsing them that you should use them.

Motion – Commissioner Hamrick said "I will make the motion to endorse the National League of Cities Service Line Warranty Program provided by Utility Service Partners Incorporated." Commissioner Buehrer seconded the motion. Vote – 5-0-0, motion carried.

Commissioner Comments

Commissioner Buehrer:

- Shared that Commissioner Burns, Hamrick and himself attended the Veterans Program Sunday afternoon at the UCC in Thurmont. It was an awesome program.
- Friday, November 18th from 5 p.m. – 8 p.m. will be the Holiday Art & Wine Stroll. There will be local artist and vineyards participating. The first 75 attendees to Heart & Hands will receive a free wine glass and also a glow necklace.
- We have our Christmas decorations up, given the beautiful weather, our guys are challenged this time of year and they took advantage of an opportunity and got them up. They look beautiful.
- November is Small Business Month, so I urge the community to support the businesses here in our community.
- Christmas in Thurmont will be held December 3rd, which is a Saturday, from 10 a.m. until 3 p.m. The Lions Club Remembrance Tree will be lit at 4:30 with Christmas carols. Prizes and drawings will be at Hobbs' Hardware at 5 p.m. and at 6:30 p.m. the Town tree in Mechanicstown Square will be lit. New this year will be a horse and carriage ride throughout the day and evening, you can reserve your spot by calling the Town Office beginning November 14th, cost of the ride is \$10 and children 5 and under are free. The rides begin at 11 a.m. and run until 9 p.m., they will load at the Municipal Parking Lot. The Third Annual Festival of Trees at the Main Street Center will be lit on December 3rd also. If you are a business or organization interested in decorating a tree email Vickie Grinder. The Gingerbread Display will be back again this year. Santa will probably take advantage of the carriage ride to get around town.

Commissioner Hooper:

- Had nothing this evening.

Commissioner Hamrick:

- Asked if the Flags would be put up for Veterans Day. Mr. Humerick said yes, they will.
- We're not going to have another meeting until after Thanksgiving so, I want to wish everyone a Blessed and Happy Thanksgiving.

Commissioner Burns:

- UCC Veterans Day, one of the biggest things that really moves me is when you hear the National Anthem, the Star Spangled Banner and patriotic music. I think it's more so because I served in

the military. When you hear that in a church atmosphere, people singing, knowing your standing for your National Anthem. It just riles me that people think taking a knee for any cause is the way to help the cause. It's not, it's disrespectful, I will never tolerate it. It was great to hear and to be part of the service, you know every year we've got busy lives and I had two events that weekend, but you forget, we need more politicians that were in the military, because we don't have enough and they don't understand. Working down at the Marine Corp and seeing the Sequestration, so everybody understands for however many years it's been going on now, we cannot spend at the levels before the previous year. Think about that, you're building brand new aircraft, you can't, you have to reinvest money into programs and weapons systems or they'll atrophy and the old ones are getting so old you can't keep them alive and what suffers is training. So, we have 30 year old aircraft and people are like we can't afford the weapons systems, you can't afford not to. I used to, when I started at the Pentagon 23 years ago, say nobody could ever beat us, nobody will ever beat us, with all of the things that I deal with nobody can. I'm not saying that anymore and it really won't matter whether you have your social programs or not if you don't have a Country, so I'm just saying whatever happens I hope you voted, I hope however wins will truly, truly be able to reach across the aisle and get some positive things done and give and take for both, because that is what America is all about. This polarization, that's my way or the highway, doesn't work. It doesn't work on any level of government.

Jim Humerick:

- Thanks to the Thurmont Green Team and all of our volunteers this past weekend, we had a really popular and successful tree planting project at Community Park. We picked up our trees last week from DNR, we put 25 trees in Saturday.
- I don't have anything to report on that's completed unfortunately, but we did start working on the last section of our Phase III Sewer Rehab work this past week. That is going to be moving in different places of Town, today it was in front of the carnival grounds on E. Main Street, yesterday they did some work behind 7-Eleven so it wasn't really a big impact, today there were some traffic impacts. Tomorrow, weather permitting, they will be working down the street here on Orchard Drive and E. Main Street, moving down after that to Hammaker Street and E. Main Street. We are going to be expecting some traffic delays, we do have flaggers, so we are just asking that residents be patient with us once again this is all for a better resolve in our infrastructure when we get this completed. We are asking that you use caution when driving around these workers and flaggers.

Mayor Kinnaird:

- The Moser Road Bridge Project, the bridge was closed on June 22nd, we are getting a lot of questions about it and it appears to be done and I'm going to tell you that it's not done. The issues right now that we are up against is an issue with the guardrails. The guardrails on the north side of the bridge on both ends are not sufficiently anchored in place and it looks like it's going to be 3 – 4 weeks at a minimum for them to "engineer" and manufacture the necessary post that will hold the guardrail in place. In the interim Jim has had Kelly Duty, our Zoning Inspector, contact the County to see if there is a way that we can open the bridge before those guardrails are secured permanently and one of the options may be to again have a narrowing of

the bridge to some point with a jersey wall against guardrails. So, that is a possibility, it's not a done deal yet, but we are working on that because we want to get that bridge open as quickly as anybody else does. But, with everything else there's always little delays and right now the delay is the guardrail installation and securing it, because the County is not going to let us open a bridge that doesn't have the proper secured guardrails on it. That's not the answer that everybody wants, but I hope it's the answer that will get us the bridge open sooner rather than later.

- Of course it's Election Day, I hope everyone will get out and vote, we voted early this morning. It makes me very proud to be able to step into the booth and vote every single time I get to vote. We're a free Nation that we get to choose who our leadership is and it's an honor and a privilege to get to vote in elections.
- This Saturday, November 12th we're having our Municipal Open House, celebrating Municipal Governments Works Month, with Staff and Elected Officials at the Town of Thurmont Municipal Offices located here at 615 E. Main Street from 11 a.m. until 2 p.m. You'll get to tour Municipal Offices and meet Staff, talk with Elected Officials. Thurmont Police Dept. "Safety Pup" will be here from 11 – 12, Thurmont K-9 Demo at 12 p.m., Thurmont Public Works vehicles will be on display, we have three brand new pieces of equipment, Thurmont Police Dept. will have vehicles on display, Guardian Hose Co. will have fire apparatus here on display. The Thurmont Community Ambulance Co. will be on display, I'm sure they'll have their newest ambulance 309 will be here. It's amazing the equipment that fire companies and ambulances have to purchase and here in Thurmont it's all purchased thru donations to two non-profit organizations. We have a lot of dedicated volunteers in Thurmont for the Fire Dept. and the Ambulance Co. and they work very hard to provide us with fire and EMS services and we appreciate everything they do for us. Thurmont Main Street information will be available and Thurmont Green Team information will be available. I encourage you to come out, there will be snacks and beverages and some giveaways provided.
- The Boy Scouts Food Campaign is underway, you may have noticed you got a bag on your doorknob. If you got a bag please put some food in it and set it back out again, they will be picking up next Saturday at 9 a.m. If you didn't get a bag we actually have some here at the Town Office, so if you're looking for a bag to help make a donation to the Scouts Food Drive, please stop at the Town Office and we can provide you with a bag. If your donations are not picked up by 2 p.m. on Saturday, please drop them off at the Thurmont Food Bank or at the Scout House at 26 Elm Street in Thurmont. And they would just like to say thank you for helping the Scouts help our community. I was there last year at the end of the Food Drive and there was probably 20 Boy Scouts there with 12 or 13 pickup truck loads of foods that they were sorting out. It's a very good program and I'm glad that our residents participate and help the Food Bank in making donations to the Scouts Food Drive.
- A note about one of our local residents, Rodman Myers, he's a farmer outside of Town and his family and the Grange run the Community Show every year and this past weekend at the annual meeting of the Fair Association for the State of Maryland, Rodman was named the Fair Person of the Year, which is quite an accomplishment for a small community in a big state. We have a very agriculturally minded state, but I think and I've always said this, our Community Show is always great and it's great because Rodman Myers puts his entire life into our Community Show. I congratulate him for the award, he received it in Ocean City, Rodman thank

you very much for all you do for our community and for our residents when you put on the Community Show.

- There will be no Town Meeting for the next two weeks unless there's an emergency. We normally have off Thanksgiving week, but we'll be taking off next week also.

Public Comments

Dick Lee, 13 Jermae, first thing is the Food Bank, we've gotten some young families and we can use all the baby formula we can get. The second thing is, John to help you a little bit with the County, Blacksmill Road Bridge has been done for a month and it still doesn't have guardrails up, the bolts are sticking up in the wood. And they may want to try to explain that to you, why our bridge can't be used and that is, it's been open.

Mayor Kinnaird said I'd like to add one more item, the cold weather is upon us, so I'd like to make a plea, residents that have warm clothes, jackets, sweaters, warm clothing of any kind, boots, jackets, hats, remember that we have a Clothes Closet here in Thurmont down on Long Road at the Methodist Church. It's not just for adult, but for children, there are a lot of children in our area that can't dress properly for the cold weather, so if you have anything like that that you can spare or if you want to go out and buy a couple jackets and some sweaters for kids, make sure they get to the Clothes Closet, so they can provide our residents with warm clothes over the wintertime and that also extends the same request to the Food Bank. This is the time of year where it gets very difficult for families that have trouble with buying food. This is the time of year we want to make sure that everyone gets enough to eat thru the wintertime, so I'd ask you personally to support our Food Bank and our Clothes Closet for now and forever, but especially now that the cold weather has hit upon us.

Commissioner Buehrer said one other thing, I want to remind everybody about your smoke detectors, remember spring forward fall back check those detectors. Winter is coming and if you use any type of a portable heater do not use an extension cord. If you can't plug it into a circuit, do not use it, because you are putting your life in jeopardy. So, check those smoke detectors, make sure the batteries are fresh, if you don't have any go to the hardware, we have two of them here in Town and purchase them. It's for your own safety.

Closed Session to Discuss Personnel

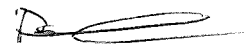
Mayor Kinnaird asked to go into closed session and read the closed session statement.

Motion – Commissioner Hooper said "so moved." Commissioner Hamrick seconded the motion.

Vote – 5-0-0, motion carried.

Without further discussion the regular meeting adjourned at 7:42 p.m.

Respectfully submitted,



Robin Clem
Recording Secretary



THE COMMISSIONERS OF THURMONT

615 East Main Street
P.O. Box 17
Thurmont, Maryland 21788
301-271-7313
Fax: 301-271-2155

MEMORANDUM

TO: Mayor and Commissioners, Town of Thurmont

FROM: Jim Humerick, Chief Administrative Officer

RE: Wholesale Power Supply Contract

DATE: November 8, 2016

The Power Services Agreement between Allegheny Energy Supply Company, LLC (AES)/First Energy Solutions (FES) and the Town of Thurmont will conclude as of May 31, 2017. The current contract became effective July 1, 2006. AES was asked to review pricing for a fifth contract extension but we were informed that restructuring of the operating market would not provide for a decrease to our existing rate. AES declined to entertain another contract extension. Based upon this information, a new Power Services Agreement needed to be obtained.

The Town of Thurmont, The Town of Williamsport, and the City of Hagerstown met to discuss the process and set a goal to have a new Wholesale Power Supply Contract completed before the end of November 2016. These three municipalities have worked together for many years in securing as a group, the best power supply prices available. GDS Associates, Inc has been assisting us to obtain the lowest purchase power cost for each municipalities' respective customers.

The initial RFP received thirteen respondents, of which a short list of five was developed based on the proposed rates from the suppliers and projections provided by GDS's market knowledge. The final three suppliers, FES, Washington Gas Light (WGL), and Public Service Enterprise Group (PSEG), were requested to supply us with pricing for a five year contract term. WGL has been considered non responsive to our last request. Negotiations will utilize either our recently developed and furnished Edison Electrical Institute (EEI) master contract or, if FES is chosen, the current contract language. With minor revisions, utilizing the present contract will save additional consulting and legal fees compared to complete contract development and negotiations. Per the third round of requested pricing, FES and PSEG are very close in price. FES has a separate offer on the table which will utilize our existing contract and remove all future risk of market fluctuations. This may hold great value for us.

FES has included an offer of \$51.60/MWh which will continue to keep the language in our existing contract in place and place no risk of any changes in the stated pricing for the five year term of the contract. Our current contract price is \$51.65/MWh and if the next lowest offer of \$51.60/MWh is accepted, we will realize a very minimal decrease in the wholesale rate.

It's important to remember that an increase in the wholesale rate does not immediately or necessarily relate to an increase in the rates that we charge to our customers. An increase in those rates can only be implemented after the approval by the Maryland Public Service Commission and must follow very specific steps. These steps were described at a recent Town Meeting by David Downes from Downes Associates. A Cost of Service Study and a Rate Filing are a few of the steps that Mr. Downes discussed.

I am requesting that the Mayor and Commissioners accept the bid from First Energy Solutions to utilize language in our existing contract and to accept the proposed contract price of \$51.60/MWh. Your acceptance will allow us to proceed with the contractual work and approval processes required to have a new Wholesale Power Supply Contract in place when the current contract expires on May 31, 2017.

Thank you for your review.



DOWNES ASSOCIATES INC
Engineering & Management Consultants

November 2, 2016

Mr. Jim Humerick
Town of Thurmont
615 E. Main Street
P.O. Box 17
Thurmont, MD 21788

Dear Jim:

Subject: F4 Circuit Tie --Phase I
Bid Evaluation and Recommendation

We have completed our evaluation of the bids received on October 27, 2016 for the above-referenced project and offer the following recommendation.

Construction documents for this project were obtained by three (3) utility construction companies represented at the October 6, 2016 Pre-bid Meeting. Those utility contractors were:

- AUI, Inc.
- G. A. Vietri, Inc.
- Diamond Electric, Inc.

The Scope of Work for this project covers the labor and equipment necessary to construct a new three phase overhead line and the installation of multiple underground conduits to facilitate the future tie between existing deadend locations on the F4 circuit.

The proposals received (see attached) are as follows:

<u>Company</u>	<u>Bid Price Submitted</u>
AUI, Inc.	\$389,782.00
G. A. Vietri, Inc.	\$218,900.00
Diamond Electric, Inc.	\$236,100.00

The bid documents also required that each contractor provide a unit cost for the purpose of milling and asphalt overlay of the portion of MD Route 550 that may be compromised as part of the test pitting work associated with the horizontal directional drilling portion of the project. Of the three utility contractors listed above, only two provided the unit price as requested.

Mr. Jim Humerick
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<u>Company</u>	<u>Bid Price Submitted</u>
AUI, Inc.	Did not provide
G. A. Vietri, Inc.	\$15,000.00
Diamond Electric, Inc.	\$20,000.00

The low bid of \$218,900.00 by G. A. Vietri was submitted with all supplemental documents as required by our bidding documents.

BFS 00430	Bid Security
BFS 00435	Non-Collusion Affidavit
BFS 00440	Statement of Alternates, Deviations, or Exceptions
BFS 00445	Statement of Compliance with OSHA
BFS 00450	Bidder's Qualification Statement
BFS 00455	List of Subcontractors and Suppliers

Each of these Bid Form Supplement sections were properly filled out and completed as required by the bidding document instructions.

It should be noted that Diamond Electric submitted a proposal but failed to do so on the required bid form as instructed. In addition, none of the aforementioned supplemental documents were included with their bid proposal. As such, had Diamond Electric's submitted bid price actually been determined to be the lowest, it would have been rejected for non-compliance. Likewise, AUI failed to submit their bid proposal using the revised bid form that was included with Addendum #1. AUI did properly acknowledge receipt of Addendum #1, and therefore was in possession of the required bid form to be used.

As outlined on BFS 00440 of their bid proposal, G. A. Vietri takes exception to the stipulated Substantial Completion date of December 23, 2016 and have instead identified April 30, 2017 for Substantial Completion. Their reasoning for the delay is attributable to current contractual obligations. While this delay is unfortunate, the project can benefit from the delay in the following ways.

1. Provides adequate time for the remaining materials needed by the Contractor to arrive.
2. Allows construction to potentially occur during the spring months as opposed to during the winter months.
3. Allows time for the Town to submit and obtain the necessary Maryland State Highway utility permit and lane closure permit.
4. Allows time to complete the forest mitigation process with Frederick County and Frederick County Public Schools.

G. A. Vietri has performed work for the Town of Thurmont as recent as 2015 when they constructed the Moser Road Substation second circuit. According to their bidding documents, G. A. Vietri has been in business for 35 years.

Mr. Jim Humerick
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Based on the preceding information, it is our recommendation to award this project to G A Vietri, Inc. for the bid price of \$218,900.00.

If you have any questions, please don't hesitate to contact me.

Sincerely,

DOWNES ASSOCIATES, INC.



Timothy B. Shaver

TBS/slh

Enclosures

cc: George E. Owens, P.E., Downes Associates, Inc. (w/o bids)

197.721