

Town of Rutland Select Board
Highway Committee Meeting
September 9, 2015 at 9AM
Rutland Town Hall

The meeting opened at 9:10AM, with Mary Ashcroft, Select Board member and Byron Hathaway, Road Commissioner present in person and Town Attorney Kevin Brown by phone.

1. The committee discussed the proposed AIA contracts for the construction of the highway garage. Attorney Brown explained that these are three-way contracts, with an owner (the Town), the Contractor (Josselyn Brothers) and an architect. The architect's role is important, as s/he decides on degree of completion and partial payments, and fleshes out details in the design. If there is a design problem later, the architect is involved and liable. As the bid we accepted for Josselyn Brothers calls for a design-built contract the architectural work for the structure will be provided as part of the contract by Josselyn Brothers. We need to ask them who their architect is. If they have none, then we can't use the AIA three party contracts and we will need to ask Josselyn Brothers for a different proposed contract.

Byron will be in touch with David Josselyn to ask about the architect and to discuss the above.

This is a two part process, with the first part being design of the structure with specs for the construction. Once the systems such as HVAC, electrical, plumbing, etc. are done, the next step is the actual construction.

2. Kevin discussed some items that will need to be addressed:

a) If we use the AIA General Conditions of Contract, on page 27, Sec. 9.10.4 should be eliminated. This section says that the Town, by making the final payment under the contract, would be waiving all claims with the exception of those stated. We should not agree to that language.

b) Mary wants the Act 250 and WW permit numbers included in the contract, and require that the contractor adhere to all conditions of these and any other permits.

c) Kevin explained that under the contract, the risk of loss during construction is on the Town. He has reviewed our past years' policies with VLCT and has found that we have a blanket provision that everything the town owns is covered by risk of loss. However, in the case of new construction, we must notify VLCT before beginning construction in order to insure their coverage. We also must bear the first \$150,000 risk of loss. We may want to get coverage through a private carrier to cover this first \$150,000 risk of loss.

Kevin will contact VLCT to see if we can get them to cover or recommend someone to cover the \$150,000 deductible.

We need to have Joe send a letter to VLCT confirming that we are starting construction of our highway garage so that we will be covered under our policy.

d) Kevin reminds us that we will need to review all of the contracts to knock out inconsistent paragraphs, such as that language referring to the architect and who hires him/her.

e) Kevin also recommends that we put in specific language that any claims not covered by insurance are preserved. This would eliminate problems should there be a lawsuit about whether the Town has waived claims. The builder's risk policy protections noted above are gone once the construction is completed.

3. Kevin Brown briefed Mary and Byron on progress on Grover Drive's acceptance as a town road, and would share with them an e-mail he had sent to Joe outlining things still needed.

4. There being no further business to discuss, the meeting was adjourned at 10AM.

Respectfully submitted: Mary Ashcroft, Select Board