

MINUTES OF
THE GOLF COURSE
REVIEW COMMITTEE

Minutes of the Golf Course Review Committee

June 11, 2003

The committee met at 4PM at Town Hall.

Present were Town Administrator Phil Lemnios and members of the Committee: John Ciccariello, Barbara Chinetti, Gail Kaprielian. The committee organized as follows: Chairman, Mr. Ciccariello Chair; Secretary, Ms. Kaprielian.

Mr. Lemnios distributed a notebook containing documents and information pertinent to the Golf Course Project. Mr. Lemnios also provided an outline that might serve as the basis of the committees' investigation and research. (Attachment A).

Included in with the documents was a copy of the Charge to the Review Committee that Mr. Lemnios presented to the Board of Selectman at their meeting of May 5, 2003. (Attachment B).

The committee and Mr. Lemnios discussed this charge. It was proposed that the committee review the history of the Golf Course from its inception. That it should review and investigate construction history, operational history, construction cost projections, operational revenue and expenditure and cost accounting for the life of project. Additionally, the committee should discuss and prepare an opinion regarding future considerations i.e. what course of action should be considered when the current management contract expires on 12/31/03 and the likely financial performance in the near term – next 1-5 years.

The meeting adjourned at 4:45PM.

June 19, 2003

The committee met at 4PM at Town Hall.

Present were Committee members John Ciccariello, Barbara Chinetti, Gail Kaprielian. Also present were Town Administrator Phil Lemnios, Town Finance Director Bob Palmer.

The committee met with the Karen Roberts and Joseph O'Connor, auditors from Melanson Heath and Company who would be conducting the audit and evaluation of the landfill closing, golf course construction and operation.

Mr. O'Connor and Ms. Roberts explained the nature of their review and audit. Mr. O'Connor will be the lead contact person. M.H.C. will require access to all documents relative to each project including contracts with Contractors & Consultants. Phil L. will

schedule contacts with Bob Palmer and Ruth Cashman. John C. noted it appeared the Book Phil issued at Meeting #1 was missing numerous contract info. Phil will pursue securing more documents with Bob, Ruth and DPW.

The meeting adjourned at 4:45PM.

June 26, 2003

The committee met at 4PM at Town Hall.

Present were Committee members John Ciccairelo, Barbara Chinetti, Gail Kaprielian. Also present were Town Administrator Phil Lemnios and Bob Palmer, Finance Director.

The Committee had available to them the sections of contracts, correspondence and ledgers pertaining to the Landfill and Golf course. The Committee gave them a cursory review and determined the following outline of contract events:

1/29/99	Contract awarded to Foster and Wheeler for the Landfill
\$3,413,986	base bid to close the landfill
75,000	Change order #1 Remediation of Jennings Pond additional excavation
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3,488,986	
73,987.26	Change order #2 – Purpose unknown.
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3,562,973.26	
367,207.07	Change order #3 – Gas Flare Station (golf course)
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\$3,930,180.27	Total cost for final closure of landfill, based on documents reviewed and available to date.

3/8/200	Contract awarded to Supreme Industries for the Golf Course
\$2,383,509	Base bid
	Change order #1 – unknown
	Change order #2 – unknown
37,870	Change order #3 – Hole #8: add catch basin with pipe and 3 bunkers @ 1000 cubic yards

10,014 Change order #4 – Holes # 3 & 5: drainage enhancement

\$2,452,798 Total after 4 change orders, based on documents reviewed and available to date.

Also reviewed were two other contracts which appear to be related to the Landfill Closure.

Cali Corporation Contract 94-1 in the amount of \$48,960.00 for Jennings Pond. How this relates to the Landfill is unknown at this time.

E.T.L. Construction Contract 2A 1997 in the amount of \$397,250.00 for Landfill preliminary grading.

Town Meeting appropriation was \$2,975,000 for the golf course. If the final Construction Contract was \$2,452,798, a balance of \$552,201 would remain. This balance would have had to cover architectural, engineering costs, construction administration and any other project costs.

This review raised more questions than it answered and the Committee feels more in depth research will have to be conducted. It appears both the Landfill and Golf Course projects need to be reviewed concurrently.

The meeting adjourned at 5:30

July 10, 2003

The committee met at 4PM at Town Hall.

Present were Committee members John Ciccairello, Barbara Chinetti, Gail Kaprielian. Also present were Town Administrator Phil Lemnios, Jeffrey Phillips, John Culkin.

The committee invited Mr. Phillips to attend for the purpose of discussing his concerns relative to the Golf Course, the contracts awarded and the general oversight of the project. Mr. Phillips reminded the committee that he had made a presentation to the Board of Selectmen on April 7, 2003 relative to these issues and concerns.

Mr. Ciccairello acknowledged that presentation and added that he wanted to afford the other committee members the opportunity for discussion as well.

Mr. Phillips stated several questions and concerns about the Golf Course project:

Bidding Process – Golf Course Management

- Were elements of the RFP appropriate
- Was the RFP in the best interest of the Town
- Was the RFP crafted to limit bidders.

Funding

- Where are the monies used for the project coming from
- Are funds being taken from the correct accounts
- What money is left
- Revenue collection is by the Treasurer/Collector
Sterling turns over a weekly check. Yet initially the check went to the Comptroller. The explanation given for that at the time was there was a person in the Comptroller's office that was really assigned to the Treasurer/Collector and the check was going to that individual, not the office. Now the check goes to Maureen in the "central office" and then to Bob Palmer.
- There is not reconciliation between what is given to the town and what the golf course takes in and this needs to be changed.

Water Bill

- Why wasn't it paid
- Who made the decision to hold up payment
- Which project should it go to – Golf Course Construction or Golf Course Operation

Mr. Lemnios noted that he had requested and received responses from the Comm. Of Mass. Office of Inspector General concerning the Management RFP Process and Environmental Monitoring Contract.

The Inspector General Office findings were summarized as follows:

1. Management RFP Process was found to be a valid contract.
2. Environmental Monitoring Contract with Griffin Engineering was not valid and in violation of MGL c.30B and should be rebid.

Mr. Lemnios indicated the Monitoring Services had already been rebid and a new contract awarded.

General discussions took place concerning issues raised by Mr. Phillips. The Committee's intent is to respond to these issues in the final report.

The meeting adjourned at 5:30PM.

July 31, 2003

The committee met at 4PM at Town Hall.

Present were Committee members John Ciccairello, Barbara Chinetti, Gail Kaprielian. Also present was Town Finance Director Bob Palmer.

The committee had expected to receive a draft of the review by Melanson Heath. It was not ready. Neither Mr. Lemnios nor representatives of Melanson Heath were present.

The committee identified a list of individuals to talk to including but not limited to:

- Charlie Sisitsky, Director of Public Works
- John Craig, Business Manager, Department of Public Works
- Ruth Cashman, Comptroller
- Bob Palmer, Finance Director
- Paul Cohen, former Acting Town Administrator

The committee defined the report it would write and made the following assignments:

Gail Kaprielian:

1) History of the project

For Golf Course, Landfill and Jennings Pond

- What was presented to the Board of Selectmen
- What was presented to Town Meeting
- Appropriations
 - When were they made
 - How much were they

John Ciccariello:

2) A review of the contracts

For Golf Course, Landfill and Jennings Pond

- What contracts were awarded.
- The initial award and the final cost of the project for each contract awarded.
- When were they awarded.
- The purpose of the contracts.
- Change orders associated with the contracts.

Barbara Chinetti:

3) The Golf Course feasibility study and Golf Advisory Committee

- When was the golf course first mentioned as a possibility.
- Who had input to the original idea.
- What is the role of the Golf Advisory Committee.
- What are the revenues reported to the Golf Advisory Committee to date.
- NOTE: Barbara gave John the copy of the Golf Clubhouse Design Drawings and Estimates she had received from Weaver Architects during the design phase.

The meeting adjourned at 5:30PM.

August 6, 2003

The Golf Course Review Committee was invited to meet with Golf Advisory Committee. Their meeting began at 7PM with a discussion with Sterling Management about matters of the golf course including advertising, projected revenues and general operating issues.

Sterling noted that demographics had changed. At one time golfers played no matter what. Now, people have other activities, such as their children's sports and other family obligations that make golf a scheduled activity for them. Golf playing is down 9% in New England and 3% across the country.

Much depends upon the weather. The course could be open into December which usually means heavy play on Saturday and Sunday – if the weather holds.

Continuing, Sterling staff stated that conditions are key, that the greens and tees must be excellent. They are doing all the right things but people aren't coming. There's not much else they can do besides advertise for more people – what is needed is more people. Amenities will get more people to the course. Many corporate clients choose not to use Sassamon Trace because of lack of amenities; a trailer is not very inviting.

Dr. Salamoff, member of the Golf Advisory Committee said Holliston has a great clubhouse, but the greens aren't good and they are losing people. They are putting too much emphasis into the clubhouse and not enough attention to the greens. He stated that amenities are needed and it brings in revenues. He illustrated the point by stating that the St. Linus league goes to Holliston even though they are all Natick residents because they like the clubhouse to meet in after play.

The Golf Advisory Committee and Sterling discussed marketing options such as coupons and radio comps.

In reviewing S.G.M. Inc. Year To Date Summary, Mr. Ciccariello noted that Year 2001 should be included and all of Year 2002 for each month. Sterling will do so.

At 8 PM the Golf Review Committee was invited to join the Golf Advisory Committee in Executive session to discuss business models for the Golf Course. Also present were Bob Palmer, Finance Director, Phil Lemnios, Town Administrator and Dick Cugini, Director of Parks and Recreation.

The meeting adjourned at 9:45PM.

August 7, 2003

The committee met at 4PM at Town Hall.

Present were Committee members John Ciccairello, Barbara Chinetti, Gail Kaprielian. Also present were Town Administrator Phil Lemnios, Town Finance Director Bob Palmer.

The committee had previously requested that Charlie Sisitsky, Director of Public Works and John Craig, Business Manager, Department of Public Works be present to answer questions. Both had to cancel due to other commitments. The Committee asked Mr. Lemnios to invite both Mr. Sisitsky and Mr. Craig the Committee's next meeting on August 14.

Earlier that day Mr. Ciccairello secured documents from Ruth Cashman and reviewed contracts, plans, specs etc. relating to the Golf Course, Landfill and Jennings Pond.

He reported the following based upon an initial review:

Golf Course Project

Course Architect: Cornish, Silva and Mungeam Inc.
207 North Main St.
Uxbridge, MA 01569

Engineer: Tata & Howard
125 Turnpike Rd.
Westborough, MA 01581

General Contractor: Supreme Industries

Bid Date: February 24, 2000, 2:00 P.M.
Contract No. 1

Bids Received: Five Bids received.

1.	Argos Construction	\$2,229,100.00
2.	Supreme Industries	\$2,383,504.70
3.	J.P. McCabe Inc.	\$2,489,000.00
4.	C.J. Marbady Inc.	\$3,142,242.00
5.	LIM	\$3,284,514.00

It appears the apparent low bidder Argos Construction was disqualified. Two Addenda #1 & #2 were issued during the bid phase.

Notice to Award: Issued by Fred Conley, Town Administrator on March 8, 2000.

Notice to Proceed: Issued by Fred Conley. No Start Date or Completion Date was stipulated (left blank).

Contract Date: March 31, 2000 Contract No. 1

Contract Signed By: Paul Cohen, Acting Town Administrator

Amount: \$2,383,509.70

Project Time: 540 Days

Liquidated Damages: \$750.00/Day

Payment/Performance Bonds: Issued

Insurance Certificates: Issued

Change Orders: Eight Issued During Construction

<u>Number</u>	<u>Amount</u>	<u>Town Authorization</u>
CO 1	\$16,150.00	6/13/00 Paul Cohen
CO 2	\$4,690.00 & \$556.00	Never Signed, Verbal OK
CO 3	\$37,870.00	9/8/00 Paul Cohen
CO 4	\$10,014.21	10/13/00 Paul Cohen
CO 5	Missing	
CO 6	\$19,088.15	6/5/01 Paul Cohen
CO 7	\$3,227.50	Never Signed
CO 8	\$840.00	Never Signed

Final Contract Amount: \$2,486,015.76

Based upon change orders reviewed and the final contract amount, it appears CO #5 should be \$10,061.70

West St. Sanitary Landfill Closure Project

Engineer: Tata & Howard

General Contractor: Foster Wheeler Environmental Corp.

Bid Date: December 4, 1998, 2:00 P.M.
Contract No. 2

Bids Received: Five Bids Received

<u>Firm</u>	<u>Base Bid</u>	<u>Alt. #1</u>	<u>Deduct Passive Gas Vent</u>
1. Foster Wheeler	\$3,802,184.00	\$536,553.00	\$53,544.00
2. R. Bates & Sons	\$3,799,295.00	\$524,125.00	\$62,560.00
3. ET & L Corp.	\$3,997,940.00	\$463,820.00	\$ 920.00
4. DR Corp.	\$4,375,230.00	\$575,850.00	\$18,400.00
5. WES Const. Corp.	\$4,202,595.00	\$609,500.00	\$46,000.00

Based upon a review of available documents, the Town of Natick did not accept Alternate #1 and the deduct for the passive gas venting. As such, Foster Wheeler was the low bidder in the amount of \$3,319,175.00.

Three addenda 1, 2 & 3 were issued during the Bid Phase.

Notice to Award: Issued by Fred Conley on 12/21/98 in the amount of \$3,413,986.00. No document is available addressing \$94,811.00 difference.

Notice to Proceed: Issued 1/29/99, no Start Date stipulated, Completion Date 9/30/00.

Contract Date: 1/29/01 Contract No. 2

Contract Signed: Fred Conley, Town Administrator

Amount: \$3,413,986.00

Project Time: Unknown

Liquidated Damages:	1 st – 30 th Day	\$1,000.00
	31 st – 90 th Day	\$1,750.00
	91 st – thereafter	\$2,500.00

Payment/Performance Bonds: Issued

Insurance Certificates: Issued

Change Orders: Three issued during Construction.

<u>Number</u>	<u>Amount</u>	<u>Description</u>	<u>Town Authorization</u>
CO 1	\$75,000.00	Excavate Jennings Pond	5/6/99 Fred Conley
CO 2	\$73,987.20	Unknown	
CO 3	\$367,207.70	Gas Flare Golf Course	

Final Contract Amount: \$3,930,180.27

Jennings Pond Project – Construction of Outlet Modification Contract 94-1
Natick Conservation Commission

At the time of this review, it was not known how this contract may have impacted the Landfill Project.

Engineer: Consolidated Design Group Inc.
Framingham, MA

General Contractor: Cali Corporation

Bid Date: October 13, 1994, 2:00 P.M.

Bids Received: Unknown

Notice to Award: October 26, 1994 George Wallace

Notice to Proceed: December 1, 1994 issued by George Wallace, Start Date 12/15/94,
Completion Date 2/13/95

Contract Date: 12/1/94 Natick Con. Com. George Wallace

West St. Sanitary Landfill Closure Project

Contract for Emissions Testing and Gas Monitoring

Consultant Hired: Dufresne Henry Inc.
5 Lan Drive
Westford, MA
**It should be pointed out that only one engineering proposal was sought for these services.

Contract Amount: \$49,945.00

Contract: DHI proposal to Charles Sisitsky dated 8/28/01 was approved and signed by Fred Conley on 11/9/01.

Start Time: November 7, 2001

Completion Date: February 28, 2002

DHI carried ENSR as a Consultant to perform emissions testing in the amount of \$19,600.00, which was included in the Contract Amount.

The Committee discussed what to do with their findings once the review was complete. It was decided to :

Provide a written report to the Finance Committee, Board of Selectmen, and the Golf Advisory Committee.

Distribute the audit by Melanson and Heath and exec summary of the Committees report to town meeting.

Post the report on web and make copies available at Town Hall and the Library.

Barbara Chinetti noted she is not available August 14th or 28th.
Phil Lemnios not available August 28th.

The meeting adjourned at 6PM.

August 14, 2003

The committee met at 4PM at Town Hall.

Present were Committee members John Ciccairello and Gail Kaprielian. Also present was Town Administrator Phil Lemnios.

Phil Lemnios indicated audit is incomplete. He spoke with Mr. O'Connor, Melanson & Heath on Thursday. Expects draft on 8/18/03.

The committee and Mr. Lemnios discussed the appropriations made by Town Meeting for capping the landfill and construction of the golf course.

April 17, 1990

For purposes of constructing a permanent cap on that section of the Town landfill which is to be used for composting activities, and for undertaking necessary engineering tests and improvements at the landfill

\$305,600 appropriated from the following sources:

Transfer from Stabilization Fund	\$ 275,900
Solid Waste Tipping Fee Account Balance	<u>29,700</u>
	\$ 305,600

April 2, 1991

To continue the implementation of the "Order to Perform" at the Landfill site.

Transfer from the unobligated balance
in the FY91 Waste Tipping Fee Expense
Appropriation. \$35,000

April 13, 1993

To continue the implementation of the "Order to Perform" at the Landfill.

Transfer from Stabilization Fund \$44,500

April 12, 1994

For closing out and capping the existing landfill and for related work.

Borrowing under MG L c.44 Section 8(24) \$3,000,000

October 1, 1996

ARTICLE 12

Closing out and capping and for constructing a Flaring System for collection of
Methane Gas at the existing landfill

Borrowing under MG L c.44 Section 8(24) \$2, 127,086

ARTICLE 13

For planning and constructing a municipal golf course and other recreational
facilities, located on the former landfill and in connection therewith which shall
be partially located in the Town of Sherborn including the acquisition, in fee or by
a lease not exceeding one hundred years, of any interest and necessary therefor,
the construction of a building, and the cost of original equipment furnishings in
connection therewith.

COUNTED VOTE, 93 YES, 29 NO
Borrowing under MG L c.44 8(16) \$2,200,000

December 15, 1998

ARTICLE 5

For closing out and capping the existing landfill and for related work.

Borrowing under MG L c.44 Section 8(24) \$900,000

April 15, 1999

ARTICLE 12

For the purpose of closing out and capping the existing landfill by completing the methane collection and flaring system

Borrowing under MG L c.44 Section 8(24) \$388,000

ARTICLE 13

For the planning and constructing a municipal golf course and other recreational facilities which shall be partially in the Town of Sherborn, including the acquisition of any interest in land necessary therefor, the construction of a building, and the cost of original equipment and furnishings in connection therewith.

VOTED BY 2/3 MAJORITY
Borrowing under MG L c.44 8(16) \$775,000

John Ciccariello gave an update of additional contracts he reviewed.

West St. Sanitary Landfill Closure Project
Contract 2A - Sanitary Landfill Preliminary Grading Plans

Engineer: Tata & Howard
General Contractor: ETL Construction Corp.
Bid Date: September 10, 1997, 2:00 P.M.
Bids Received: Unknown
Notice to Award: Unknown
Notice to Proceed: Issued by Fred Conley, not dated, not signed by ETL
Amount: \$397,250.00
Project Time: 60 Days to Complete
Contract Date: Signed by Fred Conley and ETL Corp. No date is on the agreement.

Liquidated Damages: Unknown

Payment/Performance Bonds: Issued

Insurance Certificates: Issued

Change Orders: Unknown, no documents found to date

Final Contract Amount: \$397,250.00

Golf Course Operation
Cart Leasing Agreement

Leasing Vendor: Citi Capital Commercial Corp.

Bid Date: Unknown

Bids Received: Club Car \$123.00/cart per month
E-Z Go \$115.00/cart per month
Yamaha \$121.50/cart per month

Lease Awarded: Natick Board of Selectman 6/18/01

Lease awarded to Club Car for 30 carts. Club Car was the only bidder to meet specification requirements according to presentation made by Ed Salamoff Chairman of Golf Advisory Comm.

Lease Duration: August – October 2001
May – October 2002 – 2005

Lease Signed: September 26, 2001 Fred Conley. Addendum #1 issued 9/26/01 refers to a lease agreement of 9/4/01, which was not found.

Golf Course Project
Design Consultant Contract

Consultant Hired: Cornish, Silva & Mungean, Inc.
207 North Main St.
Uxbridge, MA 01569

It should be pointed out that only one proposal was sought for these services.

