

FINANCE COMMITTEE AGENDA

February 18, 2015 @ 6:15 pm

Council Chambers

1. Bids/Purchasing

- a. Request to Waive Bid Process – Fleet Maintenance Efficiency Maine Lighting Retrofit – Hartt Electric
- b. Monitoring System for Hazardous Atmospheric Conditions – City Wide – i-Net

2. Request from Sewer Ratepayer

MEMO

To: Finance Committee
From: Bob Dawes, Fleet Supervisor
Subject: Request to Waive Bid Requirement - Efficiency Maine's Business Program
Date: February 9, 2015

As you are aware, the Fleet Maintenance Division made application with the Efficiency Maine Program to perform an LED Prescriptive Lighting Retrofit; this would allow Fleet to replace all interior and exterior lights to LED. These lights would be much more energy efficient. According to the figures given to the City from the providing vendor, the annual operating cost would drop from approximately \$34,000.00 to \$14,500.00 or a \$19,000.00 savings.

We were notified February 9th, that our application was accepted and we did qualify for the Program. There will be a total of 178 light fixtures that will be replaced. The cost of replacing these fixtures is \$31,959.00. Efficiency of Maine will pay a total of \$28,280.00 of that amount. The City will be responsible for the difference of \$3679.00 and the labor to replace them.

We talked with two different Electrical contractors' that work with Efficiency Maine and got estimates of \$13,900.00 and \$14,400.00. We also talked with the City's Electrical Department; they think a project of this size is too large and time consuming for them to perform in a timely manner.

Staff is requesting that the Committee allow Fleet to take advantage of this generous program where we can invest a small amount, only to generate a large benefit to the City and contract with the lowest quoted contractor, Hartt Electric.

To: Finance Committee
From: Wayne Seymour, Risk Manager
Date: February 10, 2015
RE: Monitoring Systems for Hazardous Atmospheric Conditions

Hazardous atmospheric monitoring equipment is utilized by all departments on a frequent basis and daily by some. Monitoring of conditions within confined spaces is an Occupational Health and Safety Administration (OSHA) requirement. The City currently leases fifteen four-gas monitors and ten docking stations, all of which is under warranty for the duration of the contract. The system is self-sufficient with minimal user interface. Each piece of equipment is monitored remotely, 365 days per year, 24 hours per day by a technical support team. The equipment is remotely calibrated for accuracy to regulatory standard default settings that address the hazards associated with the work of various City work crews. The system is designed to perform frequent functional diagnostic reviews for the purpose of recognizing equipment errors or potential malfunctions, alerting individual operators of test results in real time. The system also generates administrative reports, by location, and maintains historical use data for the City. Faults are addressed through technical support or equipment exchanges as system non-compliance dictates.

The City's current contract with i-Net has recently expired. The cost of the contract was \$2,287.60 per month for the aforementioned equipment and services. There are a limited number of vendors that provide similar computer based systems. In order to ensure comparable results, staff contacted three such vendors for quotes, Airgas, Industrial Scientific (i-Net), and Mine Safety Appliances (MSA). The request was to quote a computer-based system, offering remote calibration and monitoring, training, similar 4-gas monitoring, and replacement of leased equipment as needed.

The responses are as follows:

- Airgas leases equipment but does not offer a monitoring or an exchange system.
- MSA's equipment must be purchased outright. Repairs, replacement units, parts and technical support are in addition to the purchase price.
- i-Net's response met all the requirements of the request.
- Neither Airgas nor MSA chose to bid against i-Net. The vendor representative stated they could not compete.

i-Net's price was \$2,274.45 per month for a 48 month contract. This pricing is essentially unchanged from our current contract. Their response includes 16 monitors, 10 docking stations, an upgraded "Cloud-based" computer management system (non-server style), operator training, and various support equipment such as regulators, powered air pumps, the exchange and change-out of our current

equipment with the latest models of monitoring equipment with installation of the Ventis MX4 gas monitors. 24/7 and 365 day technical service and administrative reporting as previously stated.

Staff recommendation is to award the contract for Monitoring Systems for Hazardous Atmospheric Conditions to i-Net. If approved by the Committee, this will need to be approved by the City Council, as the cost of the contract for the four year period is in excess of \$100,000.

MEMO

February 9, 2015

To: Finance Committee
Debbie Cyr
Fr: Brad Moore

Re: 40 Saratoga Avenue

John Thuo is the owner of property located at 40 Saratoga Avenue. From 2009 to February 2014 the property had been rented. The tenants stopped paying the sewer bill and eventually the bill was sent to the owner, Mr. Thuo. In response Mr. Thuo sent the attached letter asking that he not be required to pay the outstanding charges and setting forth his reasons for his request. Mr. Thuo lives in Massachusetts and is not able to attend the Committee meeting.

The past sewer user fees is \$913.46 and interest in the amount of \$28.67 (as of 2/9/2015). This overdue amount was incurred by a previous tenant from sewer bills dating back to July of 2012.

The City's past practice had been to notify owners of overdue sewer user fees every six months. As a result of employee changes and the anticipated conversion to a new billing system the notification of overdue amounts were not sent until April of 2014. Sewer and stormwater bills are now sent to property owners with a few exceptions.

The following was sent to Mr. Thuo by the City Solicitor to address the five points that he made in his letter:

1. The City Code provides that owners of all buildings are to be connected to the City's public sewers. The service is provided to the property and therefore it is the responsibility of the property owner for all obligations regarding wastewater services.
2. The City does not have the authority to tell the Bangor Water District to provide or cease to provide services. The Bangor Water District is a separate legal entity created by law and is regulated by the Public Utilities Commission. The Water District is allowed, under certain circumstances, to terminate service to a property. The City is not allowed to refuse to accept wastewater / sewerage from a property.
3. Historically the Wastewater Treatment Plant has been sending bills to people to whom we have been requested to send the bill. Most landlords ask that we send the bill to the tenant.

4. In my opinion the City should always use the statutory lien process permitted by State law. However, it is not required to do so. Of course, if we had, then you as the property owner would have been notified sooner. The billings sent to the tenant were timely.

5. The impact to you as the property owner is that there is interest on the bill. The impact to the City is that it has had to wait for its money. The Superintendent of the Wastewater Treatment Plant is willing to waive the interest on the charges.

Mr. Thuo emailed the following reply:

“I noted that you stated the following,
1) that earlier this year the city sewer department were required to a send the bill to landlord. In my case it did not happen until October.
2) that landlord had instructed the city to send bills to tenants. In my case I never notified the city or it agent to not send bill attention to me for 5 years
3) the city then did not follow its own requirement to level liens for 5 years
4) I have never received any of the city's regulation that landlords are responsible for sewer bills as they are attached to the property. The other city departments sent timely bills including when my tenant was not removing trash. So I am not sure what part the city, its employee, or agent followed a process to timely notify me that I have an obligation in the last 5 years.”

The Committee has the right to waive the principal and interest. Staff does not. Mr. Thuo is requesting that the Committee do so. Staff recommendation is that if any fees and or charges are waived, that it be limited to the interest that has accrued on the account.

Date November 11, 2014

John Thuo
63 Harlem Street
Dracut MA, 01826.

The Manager
Kathy Conlow
Bangor Sewer Department
Box 73 Harlow Street
Bangor ME 04401

Ref: Outstanding Sewer Bill for 40 Saratoga Avenue, Bangor ME 04401.

I hereby write to express my view regarding the sewer bill on 40 Saratoga Avenue, in Bangor Maine. I bought the property in October 2008. I then left Bangor in May 2009 after I transferred to Boston Massachusetts. The property has been rented by two tenants until February 2014. The water was in the tenant name and as such I expected the water department and sewer department to follow up with payment as they were the one who signed a contract with the tenant to supply water and hence the sewage. Over the same period since May 2009 I have never been provided with information that the sewer bill was not being paid or there was an outstanding bill. As such, I am not aware whether the tenant was provided sewer bill as required and I was not aware that there was a bill that I could have requested for a final bill when the tenant left.

In November 2014 I received a sewer bill of about \$1086.99 with a notice that a lien will be placed on the property unless the bill was paid. I am not sure why the bill belongs to me yet I had neither signed a contract with either the sewer or the water department to supply water in the house over the period in question until August 2014. In addition I am not sure why the city' sewer department did not send a bill to me for several years to notify me of the outstanding sewer bill or that the sewer bills were not being paid by the tenant if the burden and responsibility of making sure that the sewer bill is paid belongs to the home owner.

From the status of things, I feel that the sewer department failed in their responsibility to;

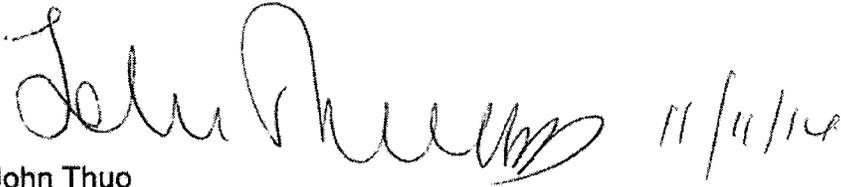
- 1) Notify me of the city's statute or city bylaws that I as the home owner was responsible for making sure that the sewer bills are paid.
- 2) They failed to notify the water department to not turn the water on if the sewer bills were not being paid.

- 3) Failed to send timely sewer bills to me as per the city's sewer billing cycles
- 4) Failed enforce the lien process in the last 4 years which could have alerted me that the sewer bills were outstanding.
- 5) Failed completely to do their diligent attempt to enforce their process for recovering outstanding bills in the last 4 years by contacting me if the responsibility to ensure that the sewer bills are paid when due.

As such I feel that it is not my responsibility to pay the outstanding sewer bill that has accumulated over several years. I was neither a part of the contract, was never notified by the city sewer department in a timely manner of the bill, the city did not follow it own billing policies and process on timely billing or notify of a lien in the last 4 years.

I am willing to discuss with the city on the above matter. My cell is 9783283053 or by email marcivy37@aol.com.

Sincerely

A handwritten signature in black ink, appearing to read "John Thuo", followed by the date "11/11/14". The signature is written in a cursive style.

John Thuo