

**Dighton Water District
192 Williams St.
No. Dighton, Ma 02764**

**Sue Medeiros
Paul Joly
Paul Pacheco**

COMMISSIONERS

**Carol A. Stevens
TREASURER**

October 4, 2010

A meeting of the Dighton Water District Commissioners was held at the District Office at 2:00 PM on October 4, 2010. Sue Medeiros "Opening this meeting at 2:30 PM on October 4th, 2010." Paul Joly second. Sue "All in favor." Ayes have it.

Sue Medeiros "First on the agenda we are meeting with David (Gay) to go over a couple of issues that have come up. Whether or not posting for contract negotiations, the bid, review of minutes, this was all done legally and what we need to address if there is a problem. So David I guess the first thing is the posting on the contract negotiations. I think everybody here knows what happened, we canceled the meeting and I have the meeting notice, Chuck (Cestodio) brought this down, I posted it at 3:51 PM, I think it was 5 minutes later David (Gay) called said the meeting was back on. I took it off the bulletin board, unfortunately I had an appointment that night and I asked Chuck to send out an email saying it was back on. The posting was up a matter of a few minutes. You know no one saw it." David Gay "Just for the record, my impression was this. I had spoken, and I can't tell you the times, but Sue Medeiros called me and said that... asked me originally whether we should postpone the meeting because Carol (Stevens) was sick and I said no. I said that that was the Union position, if the Union did not want to go forward because Carol wasn't here that's fine we wouldn't object to it. But it wasn't for us on the management side to cancel a meeting because someone from the Union couldn't be there. Especial since we hadn't gotten a request from the union, because Sue was just saying should we do it? And I had said no I don't think we should. And then at some point later in the day, that was early in the morning." Sue Medeiros "That was early in the morning because I ended up calling Tina (Bragga) to get Barry's (Ferreira) number because he's the other Union Stewart and to ask him and because I said I had spoke with you (David Gay). I said to Barry that it's not our call and he said let's cancel. I said to Barry, well you understand she's (Carol) going to be out 5 to 6 weeks do you really want to cancel? He said yes let's cancel. I then called David (Gay) and Tina (Bragga) and said it was cancelled." David Gay continued "Sue told me it was canceled. Within a

minute or two after you called, Paul Coffey called and said "Why are you canceling the meeting?" I said "Paul I didn't cancel the meeting" he said "Well Sue (Medeiros) did". I said "I don't think so." I said "Sue called me in the morning and told me that, or asked me rather whether we should cancel the meeting. And I said no I don't think we should it was a Union thing." He (Paul Coffey) said "Well I'm not canceling either, we'll go forward, we'll have Tina (Bragga) come in from group A he said, we're not going to wait 6 weeks or any other times. We can do this without canceling, I'm going to be there tomorrow morning whether you come or not." So I said "Okay, let me call Sue (Medeiros) back." So at that point when I spoke to Paul (Coffey) and when I spoke with you (Sue Medeiros) about canceling the meeting, no one told me anything was posted or not posted. I called Sue (Medeiros) right back, at that point Sue expressed to me concern because she had just posted a notice. I said "How long has it been up." She said "I just put it up." I said "Take it down." Obviously no one else could have know about it been posted, being canceled." Sue Medeiros "No I took it right down." David Gay "Because the only one that talked about it was the 4 of us, so the public didn't know it was canceled. So I said "Take it down and let everybody know that the meeting's back on." I told you (Sue Medeiros) that Paul Coffey had called me and what he had said." Sue Medeiros "Exactly". David Gay, and you said "I didn't cancel it David, I spoke to Barry (Ferreira) and he said "Well if that's the situation then lets cancel it." David Gay "So I called Paul Coffey back and told him we were come to the meeting. Now just for the record again because I know it's being taped and I want it on the record. When I came to the meeting that morning you (Sue Medeiros) and Mr. Joly were here. We talked for a while and I said where's Paul (Pacheco)? Sue Medeiros/Paul Joly - We don't know, we don't think he's coming, he hasn't been coming to meetings. I said "Was he notified, and you both said as far as you know he got an email." That's all. Now Paul has expressed to me we should have called him. Well I know we did talk about calling him, but everybody figured he got the email, he's been getting the emails in the past as far as I know. He gets the ones I send him, they never come back." Sue Medeiros "Well he expressed to me a few months ago, about a month ago that he gets everyone's emails from here, mine and everyone else's except Carol's. So I said to him when he was upset about not coming to the meeting, I said but Carol (Stevens) didn't send that email saying it was back on, Chuck (Cestodio) sent it. And so." David Gay "He told me on the phone, just again so the records complete, he just told me on the phone that the emails he left me are copies of the emails. One that he got from Tina (Bragga) at 3:41 PM and all it says is that it's to Sue (Medeiros), Paul (Joly) and Paul (Pacheco). "Just letting you know the meeting scheduled 10:00 AM Tuesday mornings canceled. Have a good night, Tina." The next email came from Chuck (Cestodio) it says "Just to info everyone Sue called me said that the meeting is back on according to David Gay. Any questions you can call or email her, she was busy tonight and asked me to send this to everyone. So the negotiation meeting for 10:00 AM is still on as posted." Paul doesn't claim he didn't get this, he claims that he did not open his email right away because he was under the impression that it was canceled he didn't pay any attention to it. So he does admit that he got it he just didn't look at it till the next morning. He also apparently got, I don't know why there are two different emails, this one is saying Carol (Stevens) was upset. Well again Carol, with all due respect to Carol, Carol can be upset but not with us. I

mean because we didn't push the meeting forward, the Union did." Sue Medeiros "Absolutely". David Gay "So here's my conclusion. My conclusion is as a matter of law there's nothing wrong with the meeting. As a matter of policy, probably should have called Paul (Pacheco) in the morning when we were sitting here talking about it but we didn't. But we didn't, we didn't, you know, that's just a courteous. He just didn't open his email apparently. Anyway from a legal prospective I see nothing wrong with the meeting. So let's put that aside because that's over. If he wants to pursue it, he can pursue it, but personally I don't see a problem with it." Sue Medeiros "Okay".

Sue Medeiros "Okay, second thing was the accounting contract. This one gets a little more involved here. First of all was, this all started off, things got off on the wrong foot right in the beginning because of how the ad was going to be written. Paul (Pacheco) kept saying that we needed a CPA, having a municipal background. Tina and I meeting with Diane Dziura and I explained that, and I have copies of the minutes for you David (Gay) on both of them, that now with the new Gateway program we would be doing, the whole idea is B-1's, LO forms should be done by your Treasurer or your Assistant Treasurer. Diane said to Tina (Bragga) her exact words were "Tina there's no reason why you can't do this." So, I struggled, very much struggled with hiring a CPA to do the day to day work and I think I keep stressing day to day, day to day, day to day. So, this is a copy, like I said Paul (Pacheco) was adamant and he has a right, as a commissioner he has a right to his opinion, I have no problem with that. This is a copy of the ad I will read it and then go from there. Says "Legal Notice - Dighton Water District is accepting bids from persons with a municipal financial background, preferably a CPA. Knowledge of QuickBooks and necessary reports as needed by the Board of Commissioners and/or Treasurer is preferred. The Board of Commissioners are also accepting bids for payroll services, so, so and so forth." What Paul (Pacheco) wanted us to put in here was to list all the different forms that they would be responsible for. I have never seen an ad done that way and I thought this was more than sufficient. Because what we were going to do is bring these people in anyways and then speak with them and get a feel for how much knowledge they had. For example the Accounting Firm from Warwick, they sounded great, they definitely knew, they sounded like they are up with Municipal finance, like what's done in Rhode Island. But the man admitted he's never, didn't even know what a B-1 was, didn't know what any of those forms were. And we were at a stage that we couldn't be training somebody else. So as much as they maybe qualified in the state of Rhode Island they weren't really qualified in the state of Massachusetts. This is a copy of the bid, we did put in there, preferably a CPA but my opinion was, I think Paul (Joly) you agreed that we did need a CPA if we did an audit, when we got ready to do an audit in three years or two years whatever it would be, that we would take the bids and have a CPA come in an audit who ever did the accounting services. We brought in Peter Roache that day because I had never meet Peter." David Gay "Which day"? Sue Medeiros "We brought Peter in in July". David Gay "So the ad went in the way it's printed". Sue Medeiros "Correct". David Gay "And according to the ad it was run on the 23rd and 24th of June, bids had to be in by the 7th of July". Sue Medeiros "Correct". David Gay "Okay, what was the next step?" Sue Medeiros "Okay so the next thing is as a courtesy to Peter (Roache) because Paul (Joly) and

myself had never meet him, he had done some work for us and while he was sitting there I asked him, in your professional opinion." David Gay "We sent out the notice for bids. At some point in time you received bids". Sue Medeiros "Correct". David Gay "How many bids did you receive?" Sue Medeiros "We received 3 bids." David Gay "So I see bids from David Woods dated June 9th, Donellon, Orcutt, Patch & Stallard, Peter Roache, dated June 30th, and PP & A Associates out of Warwick, RI dated July 7th." Sue Medeiros "Correct". David Gay "Okay, and is it your memory these bids were all received before July 7th. Is that correct?" Sue Medeiros "Correct". Tina Bragga "It's on the back". Sue Medeiros "(Tina) do you guys date stamp them when they come in"? David Gay "There hand stamped". Tina Bragga "She (Carol Stevens) hand wrote it". David Gay "According to the documents David Woods bid was received on July 6th at 11:45 AM, Peter Roache of Donellon, Orcutt, Patch & Stallard, July 7th at 11:36 AM, and PP&A Accountants on July 6th at 2:46 PM. So we have 3 bids submitted." Sue Medeiros "Correct". David Gay "So now the next meeting of the board looks like its July 14th". Sue Medeiros "Correct and we opened the bids." David Gay "You opened the bids that day. Now these were received by Carol (Stevens) because I noticed they're hand written. So she must have had them opened because they're written on the second page." Tina Bragga "No that is a copy of the envelope." David Gay "Oh, thank you for clarifying." Sue Medeiros "She opened them here in front of us." David Gay "Okay so the bids were sealed and they were opened in front of you at your meeting on July 14th." Sue Medeiros "Correct. So we opened up and the only one here was Peter Roache. And Paul (Pacheco) said "I thought we were going to open the bids today?" And you'll see by the minutes, we said no because you had said you weren't sure if you were going to be able to be here when we opened the bids and I wanted to be a Board of three. We didn't want to award it without the three of us. So I wanted to be the three of us to open the bids and make the decision. So where Paul wasn't sure he was going to be here on the 14th, we set July 27th for the date to open the bids." David Gay "So you didn't open them on the 14th." Sue Medeiros "To award, I'm so sorry, to award. We opened on the 14th and we waited till July 27th to award." David Gay "Okay so you opened the bids on the 14th at the meeting. The three of you were here." Sue Medeiros "Yes". David Gay "Okay, did you review the bids at the meeting, I'll read the minutes." Sue Medeiros "Yes we reviewed it but then we said that we were going to wait till the 27th and bring each person in to ask questions. You know how much experience do they have, after meeting with Diane Dziura and some of the stuff that happened in the past I wanted to make sure." David Gay "When did your meeting with Diane Dziura occur"? Sue Medeiros "It was in June before all that". David Gay "So on the 14th of July you opened the bids, you did not award a bid and you invited everybody to come to the July 27th meeting. Or you intended to." Sue Medeiros "We intended to, what happen was." David Gay "Peter (Roache) was already here that night." Sue Medeiros "Right and he said he wasn't going to be around on the 27th. At that point Paul (Pacheco) asked him some questions as you can see through here. One of the questions was how he put... the people from Warwick did an hourly. I think David Woods, correct me if I'm wrong, David Woods and Peter (Roache) did kind of like a flat amount. So Paul (Pacheco) ask Peter Roache what it would be, broken down how many hours was that going to be. I said well you can't do that, as a courtesy if we're going to get an hourly from Peter while he's here and we've got one from the

people in Warwick then as a courtesy we need to ask David Woods when he comes in or to submit something that says what it would be hourly. And I think that's what Paul (Pacheco) means by opening a bid after the fact. It was just a courtesy to give him." David Gay "Just go into what you did." Sue Medeiros "So that's what we did and then, so that all happened on the 14th as you can see there were questions asked and we talked about Diane Dziura and we said we would bring everybody in on the 27th, we would make appointments. What we wanted to do was make appointments so people could come in and to discuss with them the qualifications because we didn't go into the detail about all the forms in the ad. We couldn't get them in on the 27th." David Gay "So August 18th meeting at 2:00, first on the agenda was to meet with the bidders, first on the agenda David Woods. David original brought in a bid and then came in with an hourly." Sue Medeiros "Right because we had asked him to because the other two, the one from Warwick was already hourly and Paul (Pacheco) asked Peter (Roache) what it would breakdown, how many hours it would be. So at that point as a courtesy to the other gentleman, David Woods, we should ask him what it should be. I think he brought it with him or dropped it off before the fact." Tina Bragga "It didn't have a date, it's on the back of his original bid, the envelope didn't have a date though." David Gay "Okay, so his bid was \$60.00 per hour, the other one (Warwick, PP&A) was \$70.00 per hour and he (Peter Roache) must of answered a question, did he answer a question?" Sue Medeiros "Yes Peter (Roache) did it's in the notes." Paul Joly "\$240.00 I think." David Gay "His (Peter Roache) bid doesn't have an hourly rate." Sue Medeiros "Paul Pacheco asked him when he was here. Hourly or how many hours it would be, something to do with hours. It's in the notes." David Gay "Well \$245.00 an hour was according to his original bid was for extra services. He puts a flat fee of \$2,700.00." Sue Medeiros "For 5 hours of service." David Gay "Where does it say that?" Sue Medeiros reads from her notes "The next bidder was.... at \$245.00 an hour with \$2,700.00 proposed as a fee to assist with the closing. Sue Medeiros said 5 hours person, 5 hours toward assisting Carol plus closing of fiscal year, 245 came in that when Carol needs help that that would be the rate. But also that it would have to come through you guys first again for the.....Right so what happened was, would be 5 hours for the \$2700.00 which I guess is broken down to 245 and then 5 hours towards assisting Carol plus closing of fiscal year. 245 came in that when Carol does need help, additional, that would be the rate. Because what I stressed David (Gay) was that I only wanted, I wanted these people to know that we were going to hire them as needed. We did not need somebody in here every month for 5 hours or 10 hours. Because there's some months there's nothing really, now with the Gateway system the girls can be doing this themselves. So it would be kind of as needed, maybe an hour a week or maybe 2 hours every couple of weeks because there was the issue of, they were saying, because even after meeting with Diane Dziura they were saying that there's a lot of things being said that Tina (Bragga) could not do the warrant." David Gay "I'm still confused as to what Peter Roache's hourly rate is. Maybe that doesn't matter. Let's do it the other way, how many hours was David Woods claiming it was going to take at \$60.00 an hour, do you know that figure?" Sue Medeiros "No, because it was going to be as we needed that person. I guess in his original bid it would be no more than that." David Gay "(Peter Roache) original bid was \$2,700.00 and it says for 5 hours assisting Carol and closing of the fiscal year

books. But we don't know how much time closing of the fiscal year books is, at least I don't see it in my quick review of the minutes. I don't know how much time it takes to close the fiscal year books." Sue Medeiros "And you don't know, you don't know, you really don't know and that's why when we, their just closing them now. They had till September 30th to close, so no one really started any of the closing of the books until after this bid was awarded." David Gay "What Peter Roache's bid was a flat fee \$2,700.00." Sue Medeiros "That's when Paul (Pacheco) asked the question how many hours would that be, what would be the breakdown? And that's when I guess he said 5 hours." David Gay "David's (Wood) was \$500.00 per quarter so that's \$2,000.00." Paul Joly "Well you know David (Gay) one of the things that we looked at was what was being charged previously before this award was done. It was about \$45,000.00 for accounting. \$45,000.00 all of a sudden now we're looking at a lower number, it's kind of ambiguous how's he going to do things for \$2,700.00 when we just got done billing for \$45,000.00." David Gay "But was it the same service Paul?" Sue Medeiros "We don't know what the service was. There was no contract when that was paid." Paul Joly "There was upgrading with the programming, but that was done by an outside concern that came in and installed the program." David Gay "Let's work on what we have. We had a bid from David Woods for "full accrual based accounting services, with the District supplying all source data for entry, I bid \$500.00 per month. Billing will be quarterly and payment is expected on the next monthly warrant." So \$500.00 per month billed quarterly that \$2,000.00 a year, for quarters. "For payroll services with the district supplying all W-4 and W-9 information as well as all fringe benefit computational information. I bid \$500.00 per quarter. I will provide all government reports required monthly, quarterly, and at calendar year end and fiscal year end." So my, without reading the minutes of what he says, my understanding of his original bid is \$2,000.00 to do basic accounting and \$2,000.00 to do the monthly payroll, so that would have been \$4,000.00." Sue Medeiros "It was two separate bids, the ad was two separate bids it says "The Board are also accepting bids for payroll services, bids should be clearly marked payroll bid and accounting bid." David Gay "Okay, so he (David Woods) gave you two bids, \$2,000.00 for accounting and \$2,000.00 payroll." Sue Medeiros "Right and we didn't do anything with the payroll we actually stayed with the company we had." David Gay "The next one the bid from PP&A bid \$70.00 per hour but they don't give you a number of hours. So you don't have any idea without getting an estimate in your own head how much it's going to take." Paul Joly "They don't really know the proper procedure is and what the forms are." Sue Medeiros "They were very nice, they came in they were good, you could tell they knew their stuff, it just wasn't going to work here." David Gay "So now we have the last bid which is Peter Roache, "Provide the following services, assist with closing the fiscal year general ledger. This will include reviewing the asset & liability accounts, scanning vendor expense allocations. 2. Assist the treasurer with the preparation of year end state required filings. This item would be capped at five hours because we believed once she is trained she will need no further assistance. Should the treasurer require further assistance it would be at our normal partner rate of \$245.00. Review the reconciliation of the assets, scan vendor expenses." So he's bidding only on accounting services and forget whatever his hourly rate is, he's (Peter Roache) going to do the accounting services for \$2,700.00. My reading of David Woods bid

is he's going to do the account services for \$2,000.00. Woods also bid on the other one but this one didn't. Why we got into an hourly rate doesn't really matter, you didn't ask for an hourly rate. So what happened after all this, what did you do?" Sue Medeiros "We brought them in and we gave everybody the courtesy of interviewing them. Then we awarded the same day on the 18th of August." David Gay "So after meeting with all three people, did Peter (Roache) come back on the 18th?" Sue Medeiros "No." David Gay "He was just at the original. So after meeting with everybody as a group you voted to award it to David Woods." Sue Medeiros "Paul (Pacheco) was not here." David Gay "So I need to read the minutes. Just for the record at this point I would like to do the following. I would like to get a copy of these minutes, I will read everything that is here, review the minutes. Then I will give you a letter on whether I think the award to David Woods contract is according. I don't see anything wrong with the ad, I don't think it needs to be any more detailed than that. The only issue that I need to go through...." Sue Medeiros "Could you please make a note of that in your letter." David Gay "Yes, I'm saying it for the record too. My question is by getting into this hourly rate thing did you mess up something. Clearly to me is this, based on what you advertised and the bids received in writing David Woods was \$2,000.00 and the other guy (Peter Roache) was \$2,700.00. I don't care how much it was hourly." Sue Medeiros "He's (Paul Pacheco) the one that asked the hourly of Peter (Roache). We were satisfied with the way it was but once he brought it now you owe the courtesy to the other gentleman. He (Peter Roache) was the only one here." David Gay "He obviously knew the bids were going to be opened then and he came, it's an open meeting." Sue Medeiros "Absolutely and no problem with that. So that's what we need, we need you to look at it, if the bid wasn't done correctly. What is usually the answer for something like that do we go out and bid again?" David Gay "It would have to go out to bid again. Has he (David Woods) already started?" Sue Medeiros "Yes." David Gay "We have to pay him for what his doing obviously. I'm not saying you have to change anything because I don't want to prejudge this. Let's assume that we come to a conclusion that somehow we messed this up, right now I don't think so but let's assume it. Then we have to pay him for whatever work he's done and we have to go for a new bid." Sue Medeiros "Right." David Gay "Off the top of my head I don't think that's going to happen." Sue Medeiros "Well you have everything to read." David Gay "I will communicate with Tina. If I have questions for any members of the Board I will send it to Tina so all three of you get it and then you can answer it. Right now I don't think I'll have any other questions." Sue Medeiros "That's fine."

David Gay "For me on the agenda is there anything else?" Sue Medeiros "Well just that I think it all falls under the same thing, the opening of the accounting bid on July 26. I think that's the only thing." David Gay "Before I leave I want to bring you up to date I know it's not on the agenda. Just on the record I did send out today a draft of the contract." Sue Medeiros "I was just going to say that but I didn't know if I could say it, I have it right here." David Gay "You already got it." Sue Medeiros "Paul (Joly) she had your old email address. So I emailed Bonnie before I came here and gave Bonnie the new email address. You should have it when you get home." David Gay "And that was sent to Paul Coffey today too, Paul Pacheco got a copy too. So the instructions are to read it, look at your notes, if I

missed something or if I missed stated something let me know. I'm sure Paul will do the same thing and then we'll get it back and we'll make the final changes, then we sign that document after union ratifies it. That becomes the new document, Paul's (Coffey) office is going to print a new contract which will incorporate this, we'll proof read that before signing. So that's all set." Sue Medeiros "David can I ask you a question. Paul (Pacheco) had commented he's not going to sign it. But as long as we have two signatures, we just need the two, two out of three?" David Gay "That's correct. One other thing on the record, I did send you draft grievance decisions. Did you get those?" Sue Medeiros "I got it, we're going to put it on our agenda in executive session. Now what do we do with those." David Gay "Consider them, if you don't like my decision." Sue Medeiros "No I read them there fine. Your decision with me is fine we just put it on record that we accept." David Gay "Just sign them and we'll give them to them." Sue Medeiros "So we hand them out, they don't have to give them too you." David Gay "No. Okay, so keep for the record, I'd like to meet in executive session very briefly with these two members of the board to discuss what I anticipate might be a threat to ligation. So if you want to vote." Sue Medeiros "Even though it's not on the agenda go into executive session?" David Gay "It's something that just came up, I just found out about." Sue Medeiros "Okay, I step down to make a motion to go into executive session with David Gay." Paul Joly "Second." All in favor.

Sue Medeiros "I make a motion to go back into open session. Next thing is we need to sign an insurance policy." Sue Medeiros and Paul Joly signed policy. Sue Medeiros "Next, two things District telephone cell phone and Office temp. I'm kind of going to deal with those together. I've been in here a couple of times and as I've mentioned to Tina, it's very unfair that she's trying to run this office by herself. I had talked to Tina, its pretty much protocol when somebody's out of the office, about getting her some help. Call Kelley Services and get someone for 4 hours a day for 3 days or something like that. Just to give you the flexibility to work on minutes and things that are more important, that person could answer the phone, file. Do we have any idea how much longer Carol (Stevens) is going to be out? I bet we are still looking at a couple of weeks. The other thing is I know Carol has her cell phone and what I'd like to do is have Tina get that just while Carol's out. A lot of stuff is going to be coming up that if we need to reach Tina. Instead of me trying to call you that day Chuck to get that email out that that meetings being canceled I could always call Tina. I'm not expecting a lot of things could go wrong but at least we'll have contact. Chuck Cestodio "There are two phones that we have here." Paul Joly "Are they activated." Tina Bragga "They are on standby." Paul Joly "Activate one of those and give us the number." Sue Medeiros "Yes I want to be able to get in touch with Tina." Tina offered to use personal phone. Sue Medeiros "I would rather use one of the District phones. I'm going to step down and make a motion that Tina use one of the spare phones, Tina before we leave can you give us the number of that phone? Also for her to call into the temp services for the next few weeks, to get you up to date before Carol comes back. The good thing about going with a temp agency we don't have to worry about insurance, workers comp or anything. I think it's a cleaner way to do it. There's Kelley Temp Services, Account Temps, we're just looking for basic clerical." There was a short discussion on days and hours of temp. Sue Medeiros "I'm going to step down and

make a motion that Tina will be using one of the District cell phones while Carol is out if we need to reach her and she is also going to be in contact with a couple of temp agencies for two days a week, two mornings a week to help her in the office while Carol is out." Paul Joly "Second". Sue Medeiros "All in favor?" Ayes have it.

Sue Medeiros "I'm going to step down and make a motion to adjourn at 3:25 today." Paul Joly "Second." Sue "All in favor?" Ayes have it.

Respectfully submitted,
Tina Bragga

Those in attendance:

Sue Medeiros, Paul Joly, David Gay, Charles Cestodio, Tina Bragga
