



**TOWN OF MIAMI
Wastewater Advisory Board Meeting
Wastewater Collection System Replacement Project**

THURSDAY, NOVEMBER 20, 2014 AT 4:00 PM
MIAMI TOWN COUNCIL CHAMBERS
500 W SULLIVAN STREET, MIAMI, ARIZONA 85539

Meeting Minutes

I. Call to Order

Meeting was called to order at 4:00 pm by Jay Spehar.

II. Roll Call

PRESENT: Rick Powers, Jerry Barnes, Jay Spehar, Ray Webb, John Trujillo

ABSENT: None

III. Approval of Minutes

a. Approval of Minutes from the October, 23 2014 Meeting

- Rick Powers motioned to approve the minutes of the October 23, 2014 meeting. Motion was seconded by John Trujillo – All in favor.

IV. New Business

a. **Project Status Update** – Ron Hilgart provided an update on the project status:

- **Phase 1 – Closeout** – The additional \$1,000 review fee was submitted to ADEQ. ADEQ re-reviewed the plans and issued a new Notice of Intent. This allows AMEC to go ahead and submit the package for the discharge authorization. This will be concluded shortly and hopefully, ADEQ will approve so the project can be 100% closed out within the next month or so.
- A meeting will be held with Tri-City and USDA at USDA's office on Tuesday, November 25th to continue discussions about Tri-City using the excess capacity at the Miami Wastewater Treatment Plant.

- **Phase 2 Easement Status** – All easements have now been acquired and the Town Attorney has certified that rights-of-way and/or easements are in place for all of Phase 2.
- **Miami Sewer Rates** – As discussed in the previous meeting, rate increases need to be put in place in order to obtain USDA funding for Phase 2. Economist.com has been retained to prepare the rate study. Ongoing meetings have been held with Economist.com and a rate study is near completion. A council study session will be held on Thursday, December 4th to present the rate study and proposed rates. The council will then be presented with a resolution at the Monday, December 8th council meeting directing staff to proceed with the process for rate increases. This process includes a public notice period and public hearings. It is anticipated that new rates will be in place by March 1st, 2015
- Phase 2 plans have been approved by ADEQ. However, USDA has not approved the plans. USDA recently completed a review and HILGARTWILSON reviewed USDA's comments with AMEC in a four-hour meeting last week. AMEC is currently working on the revisions for resubmittal to USDA.
- USDA has re-iterated their position that they will not support full-width pavement replacement. They noted that this has not been allowed on other projects in towns with streets in similar condition and that they have successfully patched the streets. After much discussion with USDA, they did agree that alleys could potentially be full-width chip seal replacement. They also agreed that we could present a few streets to them if we felt that the streets were narrow, the sewer line was going down the middle of the street together and there were significant sewer connections that resulted in very little pavement being left after the sewer construction. AMEC is reviewing the streets and will be presenting something to USDA in the near future. In order to move this project forward, unless directed otherwise, we will need to accept the fact that we will only be able to do pavement replacements. Otherwise the project will continue to be stalled. Discussion was held regarding other means of financing full-width pavement replacement. This included the possibility of using the ½ cent sales tax, utilizing CDBG funding, and the possibility of using the ½ cent sales tax combined with bonding. It was agreed that all these options should be considered by the Town.
- Joe reported that the septage receiving station is fully operational.
- Chairman Spehar asked if there was any way we could still get the sewer manholes in the Mackey Camp Area replaced prior to the winter rains. Ron Hilgart stated that this would not be possible due to the time that would be involved in bidding the project and getting a contractor mobilized.
- **Project Budget Summary** – The project budget summary was reviewed. There were no significant changes from last month's review. It was further noted that the overall budget is several years old and does not take into account inflation.

- **Phases 3 through 5 Easement Update** – The easement acquisition flow chart and the Phases 3 through 5 easement exhibit were reviewed. There are 61 total easements required. 39 title commitments have been received and 39 exception memoranda have been prepared. 22 legal descriptions with exhibits have been completed. The appraiser has not started the appraisal as he needs all legal descriptions and exhibits completed to do so. All of the cost of obtaining the easements are going against the remaining WIFA loan amount.
- **WIFA Loan** – The summary of WIFA funding was reviewed. The total WIFA loan amount is \$3,250,000. It is currently estimated that \$3,243,071 will be spent prior to the completion of the Phases 3 through 5 easement application process at which time the WIFA funding can be replaced with the USDA funding.

b. Payment Applications

- AMEC's pay application in the amount of \$17,579.47 for one month of design and construction management services was reviewed. \$9,880.00 of this will be paid by WIFA and \$7,691.47 will be paid by USDA. Chairman Spehar asked whether the Town had reviewed the pay application. Joe Heatherly noted that Paul Curzon had an accident and was not able to review it but that he had reviewed it and found it to be acceptable. A question was raised as to the amount of the invoice related to the SCADA system. It was noted that this was for some troubleshooting which some became obvious when one of the pumps failed. The pump is under warranty and being replaced by the contractor. The WWAB requested that the Town check whether or not any of the troubleshooting should be backcharged to the contractor. A motion was made by John Trujillo and seconded by Ray Webb to approved AMEC's invoice in the amount of \$17,579.47. All in favor.
- A Curtis, Goodwin, Sullivan, Udall, and Schwab invoice in the amount of \$12,220.43, for legal services was reviewed. \$5,144.90 of this will be paid by WIFA with the remaining \$7,075.53 paid by USDA. A motion was made by Jerry Barnes and seconded by John Trujillo to approve the Curtis, Goodwin, Sullivan, Udall, and Schwab invoice in the amount of \$12,220.43. All in favor.
- An invoice from Dennis L. Lopez & Associates in the amount of \$1,375.00 was reviewed. This invoice is for expert appraisal services related to the Sho Me Copper case for easement acquisition. This was the last easement that was required to complete all easements for Phase 2 sewer line improvements. A motion was made and seconded to approve the Dennis L. Lopez & Associates invoice in the amount of \$1,375.00 All in favor.

c. Public Comment on the operation, financing, and construction of the sewer project

- Vice Mayor Reiman asked whether or not part of the WIFA loan amount had been repaid and if such whether or not that amount could be reused, if necessary, to complete the Phase 3 through 5 easement acquisition process. Ron Hilgart stated that \$560,000 of the total \$3.25 million has been repaid, however, WIFA has been adamant that we can not reborrow money once it has been repaid. The loan is interest only.

- Vice Mayor Reiman asked, based on construction completed to date, whether we were over budget or under budget. Ron Hilgart stated that, to date, R.K. Sanders completed construction of the septic receiving station and FNF Construction completed construction of Phases 1A and 1B (pump station and grit separator). These items were completed within the PER budget approved by USDA. Due to the time frame to get Phase 2 going, engineering costs have exceeded those original projected, however, we have saved over \$400,000.00 by FMMI completing the closure of the existing lagoon. As a result, we are within budget.

d. **Consent to Discussion** – At 4:45 PM the WWAB went into executive session.

V. Adjournment:

- The meeting was adjourned at 5:04 p.m.