



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

THURSDAY, APRIL 21, 2016 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 4:05 pm by Jay Spehar.

II. Roll Call

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

ABSENT: Rick Powers

III. Approval of Minutes

a. Approval of Minutes from the March 23, 2016 Meeting

- John Trujillo motioned to approve the minutes of the March 23, 2016 meeting. Motion was seconded by Ray Webb – All in favor.

IV. New Business

a. Project Status Update

Mark Ipson with HILGARTWILSON provided an update on the project.

- Phase 2 Construction:
 - An overview of the Phase 2 sewer construction was provided. Jameson Owen with Kinkaid reported on work completed to date. Since last month's meeting, Kinkaid has continued the sewer installation through Gordon Street, Vernon, and along US 60, has crossed the 60 to the south, and has installed some sewer on Sullivan Street. Kinkaid is now working through an Arizona Water Company (AWC) conflict to continue along Sullivan Street. All jack and bore work is done. All CCTV and testing for manholes at the east end of job has been completed and has passed. Kinkaid has also completed its sewer installation work on Miami Avenue, with the exception of two tie-ins that will be completed once final testing has been approved. The manhole scour protection in the Mackey

Camp area is scheduled to begin next week, along with the other "Tier 1" repairs in the Mackey Camp area. Moving forward, Kinkaid will continue to work on the Mackey Camp area and plans to also get back to the main line installation. Kinkaid has also started placing new asphalt in the area of Gordon Street.

- The asphalt replacement for New Street was completed on April 20th, and Kinkaid felt the coordination with FMI went well. The timing for the asphalt placement along Gordon Street is contingent on confirmation that no services on the north side of street need to be tied into new sewer main. It is anticipated that the paving along Gordon Street will be completed in about three weeks. Jay Spehar emphasized the importance of repaving Gordon Street as soon as possible due to concerns about potential drainage issues along the unpaved street. A discussion was held regarding the video of the old and new sewer lines in Gordon Street and the service connections to the sewer lines in that area.
- Mark Ipson discussed the construction schedule. Kinkaid has run into a few conflicts with other utilities. Design of the Southwest Gas line along Canyon Avenue should be finished within a few weeks, and construction will be completed on the gas line realignment shortly thereafter. Once the gas line is installed, Amec will confirm the sewer design is valid and will also shallow the sewer depths where feasible. The updated plans will be sent to Kinkaid. Kinkaid has also come across several Arizona Water Company lines throughout Town. The water lines are constructed of AC pipe and are under high pressure, causing concern for excavation around the pipe with no support. Some of the water lines are also operating at 100 psi or greater. The Town, Amec, and Kinkaid have been trying to meet with Arizona Water Company to work out a way to expedite the water line replacement work so Kinkaid can cross the water mains with the new sewer main. It was noted that some of the water crossing issues are within the railroad right-of-way. Additional discussion was held regarding Arizona Water Company, the time it would take for Arizona Water to replace and/or realign its own lines, and who would be responsible if the water pipes break while Kinkaid is excavating for the sewer main installation. The Town, Amec, and Kinkaid will be meeting next week to discuss solutions for moving forward with the Arizona Water Company water line crossing issues.
- Mark Ipson provided a summary of the Phase 2 change orders to date. The WWAB previously approved change orders 1-4 and 6-13. USDA has now also approved change order #5. Change orders 14-17 are on the WWAB meeting agenda.
- Kinkaid continues to find unknown utility conflicts. This month's pay application includes the costs for allowance requests 3hh through 3rr. After these current conflicts are paid for, the remaining allowance is just short of \$3,000. The original allowance was \$50,000 and change order #3 had increased that allowance by another \$50,000. A change order for a second allowance increase (another \$50,000) is on the WWAB meeting agenda. Additional discussion was held regarding the remaining available allowance for the Mackey Camp area repairs.
- The USDA Phase 2-5 funding has closed. USDA, the Town, Mike Cafiso, and others did a lot of work over the past month to make this happen. The total loan amount for all phases of the project is \$4.9 million and the total grant amount is \$19.4 million. Per USDA's policy, the loan amount must be used prior

to the using the Phase 2-5 grant amount. Payment of Kinkaid's pay application #4 was delayed until USDA could close the Phase 2-5 funding. This resulted in an additional interest payment to Kinkaid in the amount of \$3,825, since payment of the pay app was eight days late.

- The overall project is still within budget. A breakdown of the total project budget and amounts spent to date was presented, as was a summary of the WIFA funding to date. Of the \$3.25 million WIFA loan amount, \$3.18 million has been spent to date. Now that USDA has closed the Phases 2-5 funding, the final WIFA repayment will be processed through May's WWAB and Town Council meetings.
- Phase 3-5 Easement Acquisition Update:
 - A few easements have been eliminated from Phases 3-5, bringing the total number of easements needed to 38. Of those, the attorney's office shows 19 easements have been obtained to date, 6 are under condemnation, and 13 others are in some form of progress, including three from FMI. Joe Heatherly clarified that the attorney doesn't count the easements as being obtained until they are officially recorded. The easements from FMI have been signed, and others are waiting on final recordation. Therefore, Joe estimates the Town has about six or seven easements that are still in some form of progress. The six easements going to condemnation are for three different owners.
- Jerry Barnes asked about the project funding and if any projections have been made as to the remaining budget that will be available for Phase 5. Mark Ipson stated that as of now, Phase 2 is within the original budgeted amount. Discussions have been held with Kinkaid regarding the need to remain within the Phase 2 contract, to save the Phase 3-5 funds for those phases. Additional discussion held regarding overall project budget and the need to stay within budget, as well as the need to incorporate the lessons learned in Phase 2 into the Phase 3-5 plans.

b. Change Orders

- Change Order #14, for an \$867.75 increase in Kinkaid Civil Construction's contract price to cover costs incurred for flaggers while working in the Arizona Eastern Railway Company right-of-way, was discussed. This change order is related to the work completed within the Arizona Eastern Railway right-of-way. Discussion was held regarding the Town's agreement with the railway, requirements identified in the contract documents with regard to the railway permits and flagging, and the extent to which the railway uses the tracks. A motion was made by Ray Webb to recommend to Council the approval of Change Order #14 for an increase of \$867.75 subject to funding agency concurrence. John Trujillo seconded the motion. Ray Webb, John Trujillo and Jay Spehar voted in favor. Jerry Barnes opposed. The motion passed with a vote of 3 to 1.
- Change Order #15, for a \$16,785.39 increase in Kinkaid Civil Construction's contract price to cover costs for additional CCTV services for areas along Gordon Street and FMI and for connecting the existing sewer main to the new sewer main at MH A3-01, was discussed. Background was provided on the sewer installation work along Gordon Street and the existing sewer main in FMI, as well as the need for the CCTV video inspection work. Discussion was also held regarding previous videos completed for the sewer in this area during design. A motion was made by John Trujillo to recommend to Council the approval of Change Order #15 for an increase of \$16,785.39 subject to funding agency concurrence. Jerry Barnes seconded the motion. All in favor.

- Change Order #16: Joe Heatherly asked the WWAB to table Change Order #16 so the Town, Kinkaid, and Amec can discuss further with USDA. A motion was made by John Trujillo to table Change Order #16. Jerry Barnes seconded the motion. All in favor.
- Change Order #17, for a \$50,000.00 increase in Kinkaid Civil Construction's contract price, increasing the allowance for conflicts with un-marked and unknown utilities and below grade structures, was discussed. Mark Ipson stated that there is just under \$3,000 left in the previously-approved allowance amount. Discussion was held as to whether or not Kinkaid believes this will be the last increase needed for unknown utilities. Many unknown utilities and structures have been encountered during the sewer installation. Discussion was held regarding a large concrete structure containing a substance that appears to be oil, which was encountered along the sewer main alignment. Amec and Kinkaid are working through the conflicts and associated issues. When asked by the WWAB, Mike Luecker stated that USDA anticipates approving Change Order #17. A motion was made by Jerry Barnes to recommend to Council the approval of Change Order #17 in the amount of \$50,000.00 subject to funding agency concurrence. John Trujillo seconded the motion. All in favor.

c. Payment Applications

- Kinkaid Civil Construction's (Kinkaid) pay application in the amount of \$532,222.68 for Phase 2 construction services was reviewed and discussed. The full amount will be paid by USDA. Joe Heatherly reported that he had reviewed the pay application. Since Change Order #16 was tabled at the WWAB meeting, and was included in Kinkaid's pay application, the pay application amount was adjusted downward to \$523,146.80. A motion was made by Jerry Barnes to recommend to Council the approval of Kinkaid's pay application in the amount of \$523,146.80 subject to funding agency concurrence. John Trujillo seconded the motion. All in favor.
- Amec Foster Wheeler's (Amec) pay application in the amount of \$188,208.70 for engineering design, program management, and construction management services was reviewed and discussed. Of this amount, \$150,147.69 is due from USDA and the remaining \$38,061.01 is due from WIFA. Joe Heatherly stated that he found some issues with the pay application as it relates to time Amec charged for redesign and coordination with Southwest Gas, as well as other time and charges shown on the invoice. Joe noted that it is difficult to identify the exact costs that should be revised at this time. Discussion was held regarding the amount the pay application should be reduced by, and that the final adjustment would need to be worked out with the Town and Amec and the proper adjustment made on the next pay application. It was agreed that the overall amount of the pay application would be reduced by \$20,000, down to \$168,208.70, and that the \$20,000 reduction would be taken from the amount to be paid by USDA. Joe Heatherly will meet with Amec to discuss the final adjustments to resolve his concerns on the pay application. Motion was made by John Trujillo to recommend to Council the approval of Amec's pay application in the amount of \$168,208.70 (\$130,147.69 due from USDA and \$38,061.01 due from WIFA), subject to funding agency concurrence and subject to the amount being tried up next month. Additional discussion held regarding the pay application and the need for information to be provided in a clear manner to the WWAB. Jerry Barnes seconded the motion. Jay Spehar, John Trujillo, and Jerry Barnes voted in favor. Ray Webb opposed. The motion passed with a vote of 3 to 1.

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

- No public comment.

V. Adjournment:

- Jerry Barnes motioned to adjourn the meeting. Seconded by Ray Webb. All in favor. The meeting was adjourned at 5:21 pm.