



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

THURSDAY, JUNE 23, 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 4:00 pm by Jay Spehar.

II. Roll Call

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

ABSENT: Ray Webb

III. Approval of Minutes

a. Approval of minutes from the May 19, 2016 meeting

- Jerry Barnes motioned to approve the minutes of the May 19, 2016 meeting. Motion was seconded by John Trujillo – All in favor.

IV. New Business

a. Project Status Update

Mark Ipson with HILGARTWILSON provided an update on the project.

- Phase 2 Construction:
 - Phase 2 construction continues on the trunk main through the center of town. Jameson Owen with Kinkaid provided update on the work completed over the past month. Kinkaid has had two crews working. The first crew has been working along Sullivan Street, from Nash west to the plaza. They completed the sewer installation on Sullivan Street, Live Oak, and Turner, and will now be moving further east to the eastern end of Sullivan Street and to Sykes Alley. This work is scheduled to last about three weeks, with pavement restoration to follow. Kinkaid's second crew is working along US-60. The sewer realignment around the below grade storage tank is complete and the sewer installation is progressing west toward Loomis. Arizona Water Company will be doing some

water main replacements for water lines that cross the proposed sewer alignment. Over the next month, Kinkaid's second crew will continue west towards the public works yard. Discussion was held regarding the belowground storage tank, the timing it took to complete the work around the tank, and the fact that Kinkaid skipped over the tank area and moved further west to continue the sewer installation until such time as the tank realignment had been determined and the installation of the realignment could be completed.

- Jay Spehar asked how many feet of sewer have been laid per day on average over the past month. Jameson responded that it has varied day by day, with some days seeing around 200 feet per day and others where issues are encountered having much less pipe installed. Jay Spehar asked HILGARTWILSON to include in future PowerPoints a metric showing the monthly average for feet of sewer installed per day.
- Arizona Water Company (AWC) has hired Jonovich as its contractor for the water line replacement work and has committed to replacing the AC water lines with DIP lines at the proposed sewer crossings prior to the completion of the sewer installation at said locations. AWC also indicated that it will work with the Town to shut off each of the water mains where possible, before Kinkaid gets to the crossings. Discussions remain ongoing for the AWC work that needs to be completed in the area with contaminated soils in the public works yard. Arizona Water Company is paying for the water line replacements, however, the additional pavement replacement associated with the water line crossings will be paid by the Town. Discussion was held regarding the water line conflicts and the water line locations (public right-of-way vs. railroad property). The service area for the water line in the public works yard was also discussed. The project team will check with AWC to confirm no users other than the Town will be impacted by a shutdown of the 6-inch water main in the public works yard.
- The project schedule, improvements planned for the next month, and the sewer realignments within Sykes Alley and Sullivan Street, were discussed. The current schedule shows substantial completion on October 5th and final completion on November 3rd. This schedule assumes that the change orders to be discussed later in the meeting are approved and that the future change order for the work in Canyon Avenue is also approved. As of the June 23rd, the approved change orders to date extend the schedule by a total of seven days, moving the substantial completion date from June 22nd to June 29th. Additional time extensions (8 days plus another 19 days) are included in the change orders to be discussed later in the meeting. If the future Canyon Avenue change order is passed, the total time extension for Phase 2 is anticipated to be 105 days.
- Discussion was held regarding the causes for the schedule delays and why previous change orders didn't include schedule adjustments. Per Kinkaid, the largest change in the project schedule is the Canyon Avenue area, and that a change order for that work is forthcoming and will include time extensions. Discussion was held as to why the contractor is not closer to completion. Kinkaid stated that in order to do Canyon Avenue, it will take 105 days. Of the change orders executed to date, Kinkaid did not consider those previous change orders as controlling path items at the time the change orders were being routed for approval since Canyon Avenue was going to be the controlling path. The WWAB members pointed out that given this, everything else should be on schedule. Tim LeClair with AMEC pointed out that the other change orders that will be discussed and hopefully approved later in the meeting extend the

contract time. Additional discussion was held regarding the schedule and percent completion to date. Jameson Owen with Kinkaid explained again that since Canyon Avenue was the critical path item, they did not ask for time extensions on previous change orders because Kinkaid did not want to double-count the time extension requests for the entire project. If Canyon Avenue was to be removed, Kinkaid would need to go back to re-evaluate the time extensions that would otherwise have been included in previous change orders requests.

- Jay Spehar asked HILGARTWILSON to include in each month's PowerPoint a metric looking at the schedule and change orders – a simple table to help the WWAB members understand where the change orders affect the project schedule, where the project team is on the timeline, and reasons for any extensions of the schedule.
- Rick Powers asked that a baseline schedule be included as an overlay on the updated project schedule so the WWAB members can get a feel for how far behind schedule the contractor is. A method for capturing the additional time spent on unknown utilities should also be figured out. Jerry Barnes noted that the unknown utility allowance is meant to keep project moving along. Discussion was held regarding unknown utilities and the need to know why the schedule is delayed (i.e., why the contractor has reached the original substantial completion date, but has only billed at 60% completion). Jameson Owen stated that the allowances did slow down the progress a little bit, but not significantly, as they are not the reason for the anticipated 105 day extension. He also noted that the work on Sykes Alley, Sullivan and Canyon Avenue are what are pushing the schedule out as the redesign work on these areas was not completed earlier. John Trujillo asked that HILGARTWILSON provide a copy of the original schedule for reference each month. Jameson Owen pointed out that the schedule provided each month does show the dates from the original schedule. Kinkaid stated that they will update the schedule for the next WWAB meeting to further clarify how the original dates and subsequent delays are being shown.
- Mark Ipson provided an overview of the change orders to date. Change Orders 19-24 will be discussed later in the WWAB meeting. Accounting for all deducts and additions to date, the total net for the change orders is \$279,566. Kinkaid's revised contract amount is approximately \$4.9 million. Additional discussion was held regarding the approved and future change orders.
- Discussion was held regarding unknown utility conflicts and the unknown utility allowance. A little over \$100,000 has been spent to date on unknown utility conflicts. John Trujillo asked what will be done to minimize the number of unknown utility conflicts encountered in Phases 3-5. Tim LeClair stated that one problem is that in many instances, the utilities themselves don't know where their lines are located. Joe Heatherly stated that the Town, AMEC, HILGARTWILSON, and USDA have started to work on a plan to better identify the utility locations on the sewer plans, meet with utilities to confirm said locations, perform site visits along the alignments, and also possibly video some of the lines to confirm utility locations. Tim LeClair noted that the team will also be meeting with Arizona Water Company to work out a plan for the future water line crossings. Jay Spehar encouraged the project team to do what they can to minimize change orders and budget overrides as the project progresses. Additional discussion was held regarding the utility due diligence work

completed during the Phase 2 design and the need for improved utility due diligence for phases 3-5.

- Mark Ipson provided a budget update for the overall project. The funds for paying off the remainder of the WIFA loan have been received by the Town and will be paid to WIFA by the July 1st deadline. Discussion was held regarding the funding that has been spent to date and the amount left for the remaining phases. Phases 1 and 2 were originally thought to be the easier phases, but have proved to be more difficult than originally thought. Additional discussion was held as to how the original budget matches up to the costs incurred to date, and whether or not USDA could extend additional funding to the Town if needed at the end of the project. Jay Spehar stated that it is important to keep a good record of the costs and schedule delays as the project moves along.
- The WWAB asked the project team to make sure they keep looking at the project as a whole. Jerry Barnes asked Mike Luecker and Rob Landford with USDA if additional funding could potentially be obtained by the Town if the Town runs out of funds prior to completing the overall project. Mike and Rob stated that additional funding could potentially be provided, but that USDA would have to look at the availability of funds at that time, as well as identify how much funding is needed, what types of adjustments can be made to further minimize project costs, and other related items. Rob Landford also stated that the grant/loan ratio would have to be re-evaluated for any future funding based on the Town's sewer rates compared to other municipalities' rates.
- Mark Ipson reported that the loan portion of the project has been fully used and that the grant money is now being used to fund the pay applications.
- Phase 3-5 Easement Acquisition Update:
 - A total of 38 easements are needed for Phases 3-5. Of these, 25 easements have been acquired to date. Six others require condemnation. Letters have been sent out to landowners, and landowners have until mid-July to respond. Progress has also been made on the remaining seven easements. Two of these need titles transferred from deceased relatives, one has a document that needs to be re-recorded at the county, two additional easements need the documents updated, and the final two easements are close to being turned into the Town for processing.
 - John Trujillo asked HILGARTWILSON to identify in future PowerPoints which of the outstanding easements are located in Phase 3, Phase 4, and Phase 5 so that the Town can easily see and track the easements still required for each individual phase.
 - Discussion was held regarding the Phase 3-5 design. AMEC is working on Phase 3-5 plans, but the design completion is still a few months away. HILGARTWILSON will include in next month's PowerPoint an anticipated schedule for completing the Phase 3-5 design.

b. Change Orders

- Change Order #19, for a \$49,376.76 increase in Kinkaid Civil Construction's contract price for additional excavation, grading, slurry backfill, and realignment work for the jack and bore and receiving pits due to an obstruction under the northern bridge abutment at Turner Street, was discussed. Mark Ipson and Tim LeClair provided a summary of the work that had been completed. A motion was made by Jerry Barnes to recommend to Council the approval of Change Order #19 for an increase in the amount of \$49,376.76

subject to funding agency concurrence. Rick Powers seconded the motion. Additional discussion was held regarding the change order. All in favor.

- Change Order #20, for a \$2,613.38 increase in Kinkaid Civil Construction's contract price to cover the cost for a three month extension of the Arizona Eastern Railway Company Right-of-Entry permit, was discussed. This extends the permit through August, and will cover the remainder of the work to be completed in the railroad right-of-way. A motion was made by John Trujillo to recommend to Council the approval of Change Order #20 for an increase in the amount of \$2,613.38 subject to funding agency concurrence. Rick Powers seconded the motion. Jerry Barnes commented that he still feels this should be paid for by the contractor. John Trujillo, Rick Powers, and Jay Spehar voted in favor. Jerry Barnes opposed. The motion passed with a vote of 3 to 1.
- Change Order #21, for a \$22,012.32 increase in Kinkaid Civil Construction's contract price for removal and replacement of additional asphalt due to poor compaction by others around unanticipated utilities running parallel with the sewer trench from manhole A1-21 to A1-23, was discussed. Mark Ipson explained the change order and noted that the backfill was placed by other utilities sometime in the past. Due to the poor compaction work for this backfill, portions of the sewer trench and additional pavement caved in. The utilities with the poor compaction work could not be identified, as they are old lines. Additional discussion was held regarding the change order. A motion was made by John Trujillo to recommend to Council the approval of Change Order #21 for an increase in the amount of \$22,012.32 subject to funding agency concurrence. Jerry Barnes seconded the motion. All in favor.
- Change Order #22, for a \$259,621.68 decrease in Kinkaid Civil Construction's contract price to remove the Bloody Tanks Wash area from this phase of the project, was discussed. This portion of the project will be included in a later phase of construction once a sewer redesign is completed. Tim LeClair discussed the various problems encountered in Bloody Tanks wash, from the swimming pool east to Miami Avenue. AMEC is evaluating the issues in that area and will be preparing a redesign. Discussion was held as to what options are available to get equipment down in the channel, permits that would be required for the sewer to be installed in the wash, and other related topics. A motion was made by Rick Powers to recommend to Council the approval of Change Order #22 for a decrease in the amount of \$259,621.68 subject to funding agency concurrence. John Trujillo seconded the motion. All in favor.
- Change Order #23, for an \$118,685.47 increase in Kinkaid Civil Construction's contract price and an eight day increase in contract time to cover changes in the scope of work and sewer realignments along Sykes Alley, Chisolm Avenue, and Sullivan Street due to unknown gas line conflicts, constructability issues, and safety concerns, was discussed. Tim LeClair stated that the gas line in conflict with the sewer alignment was recently installed. Jameson Owen with Kinkaid provided additional insight into the conflicts and redesign that had to be completed. Further discussion was held regarding the conflicts, sewer realignments, reasons the realignments are required, and the sewer videos that were available in this area. Tim LeClair stated that the Sykes Alley improvements will provide new pavement, improve drainage in the area, and new sewer service connections along the alley to replace the existing connections that are in poor condition. A motion was made by Rick Powers to recommend to Council the approval of Change Order #23 for an increase in the amount of \$118,685.47 subject to funding agency concurrence. John Trujillo seconded the motion. Rick Powers, John Trujillo, and Jay Spehar voted in favor. Jerry Barnes abstained. The motion passed. Joe Heatherly asked if there was any pipe associated with this change order that can be re-used.

Kinkaid and AMEC responded that it could not be reused for the project due to its unique lengths.

- Change Order #24, for a \$27,064.88 increase in Kinkaid Civil Construction's contract price and a 19-day increase in contract time to cover costs for extra work associated with an underground storage tank encountered during sewer installation at approximately Station 104+10, was discussed. Jay Spehar asked if the owner of the tank had been contacted about what was discovered and Tim LeClair responded that it was owned by the County. Discussion was held regarding the time extension that is included on this change order. A motion was made by Jerry Barnes to recommend to Council the approval of Change Order #24 for an increase in the amount of \$27,064.88 subject to funding agency concurrence. Rick Powers seconded the motion. All in favor.

c. Payment Applications

- Kinkaid Civil Construction's (Kinkaid) pay application in the amount of \$341,473.48 for Phase 2 construction services was reviewed and discussed. Joe Heatherly stated that the town reviewed this pay application and finds it acceptable. A motion was made by Jerry Barnes to recommend to Council the approval of Kinkaid's pay application in the amount of \$341,473.48, subject to funding agency concurrence. John Trujillo seconded the motion. All in favor.
- Amec Foster Wheeler's (Amec) pay application in the amount of \$56,980.60 for engineering design, program management, and construction management services was reviewed and discussed. Joe Heatherly stated he reviewed this pay application and found it to be acceptable. This pay application covers both Phase 2 work (70% of total pay application amount) and Phase 3-5 work (30% of pay application amount). A motion was made by John Trujillo to recommend to Council the approval of Amec's pay application in the amount of \$56,980.60, subject to funding agency concurrence. Jerry Barnes seconded the motion. All in favor.
- Gust Rosenfeld's pay application in the amount of \$6,407.02 for legal services was reviewed and discussed. Joe Heatherly stated that he has reviewed this pay application and that it is only for easement work. A motion was made by Rick Powers to recommend to Council the approval of Gust Rosenfeld's pay application in the amount of \$6,407.02, subject to funding agency concurrence. John Trujillo seconded the motion. All in favor.

d. AMEC Contract Amendment No. 28

- AMEC Contract Amendment No. 28, for a \$155,540.00 increase in AMEC's contract price to extend Construction Management services, including Resident Project Representative (RPR) and Resident Engineer (RE) services, for the completion of the Phase 2 construction, was discussed. Tim LeClair provided information about this contract amendment. AMEC incurred additional expenses over the past six months above and beyond those identified in previous contract amendments. AMEC is asking for only a portion of the additional cost incurred during that time period. This contract amendment also provides for an additional three months of time, needed for RPR and RE services to continue through the end of Phase 2. The cost breakdown given in the contract amendment was discussed. Discussion was also held as to whether or not an executive session could be held to further discuss the amendment. However, an executive session was not held. Additional questions were answered by Tim LeClair to clarify the costs that AMEC is looking to recover. AMEC is asking for about 50% of what they have spent over and above the amount budgeted in Contract Amendment No. 24.

The RE has needed to be much more involved in the construction stage than was originally anticipated. Discussion was held about potentially tabling the entire contract amendment. Joe Heatherly stated that AMEC has made enormous improvement since February. He also stated that he discussed this contract amendment with AMEC and feels that it is worthwhile to approve the contract amendment as shown. Further discussion was held regarding the possibility of tabling Tasks 1.1 and 1.2 and voting at this time to only approve Tasks 2.1 and 2.2 in the amounts of \$67,790 and \$34,290, respectively. The WWAB stated that they would like to see additional detailed information on Tasks 1.1 and 1.2 (\$23,460 and \$30,000, respectively) at the next WWAB meeting for further consideration. A motion was made by John Trujillo to recommend to Council the approval of Tasks 2.1 and 2.2 of AMEC Contract Amendment No. 28, for the revised amount of \$102,080.00, subject to funding agency concurrence. Jerry Barnes seconded the motion. John Trujillo, Jerry Barnes, and Jay Spehar voted in favor. Rick Powers abstained. The motion passed.

e. AMEC Contract Amendment No. 29

- AMEC Contract Amendment No. 29, for an \$84,135.00 increase in AMEC's contract price for additional design services for Phases 2-5, utility coordination effort for Phases 3-5, and existing utility investigation effort for Phases 3-5 of the Town of Miami Wastewater Collection System Project, was discussed. Tim LeClair provided additional information about this contract amendment, noting that the amendment includes redesign efforts that have been negotiated with and agreed to by Joe Heatherly and USDA. The redesign will provide a more constructible project. This contract amendment also includes time for additional utility research and coordination for Phases 3-5. Additional discussion was held regarding the various redesign efforts included in the contract amendment. A motion was made by Jerry Barnes to recommend to Council the approval of AMEC Contract Amendment No. 29 in the amount of \$84,135.00, subject to funding agency concurrence. John Trujillo seconded the motion. All in favor.
- A brief discussion was held regarding the overall project budget and the need to keep the overall project in budget.

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

- No public comment.

V. Adjournment:

- Rick Powers motioned to adjourn the meeting. Seconded by Jerry Barnes. All in favor. The meeting was adjourned at 6:15 pm.