



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

**THURSDAY, JANUARY 15, 2015 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 4:03 pm by Jay Spehar.

**II. Roll Call**

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

ABSENT: Ray Webb

**III. Approval of Minutes**

**a. Approval of Minutes from the December 18, 2014 Meeting**

- Rick Powers asked that the minutes be corrected to reflect that he joined the December 18<sup>th</sup> meeting by phone.
- Rick Powers motioned to approve the minutes of the December 18, 2014 meeting, subject to the change noted above. Motion was seconded by John Trujillo – All in favor.

**IV. New Business**

**a. Project Status Update**

- Phase 1A/1B is complete. ADEQ issued the Discharge Authorization on January 6, 2015.
- Phase 2 easements are in place and have been certified by Susan Goodwin's office. The process for closing the Phase 2 funding is underway. USDA had noted that the rate adjustments outlined in the previous rate study had not been implemented, and asked the Town to complete a new rate study. Economists.com completed the updated rate study, and the Town is now in the process of adopting the new rates. Joe Heatherly reported that on Monday, January 12<sup>th</sup>, Town Council approved the rates from the updated study by Economists.com, and that the rates would go into

effect in the next few months. The new rates represent an approximate 35% increase over current rates, which amounts to around an \$11.00 increase per month per connection. The Town is also working on improving its collections for past-due sewer bills. It will soon be hiring a new staff member to focus on collections. The Economists.com study included projected cash flows from the septage receiving station, and also accounted for the Town making up a portion of the outstanding collections. The financial team is coordinating with WIFA to confirm WIFA will accept the Town's taking on additional debt with the Phase 2 USDA funding. The Phase 2 funding will include payoff for a portion of the WIFA funding, so its to WIFA's advantage to do so. The future Phase 3-5 funding will include payback for the remainder of the WIFA loan. Jerry Barnes asked if there has been any discussion with WIFA regarding the possibility of WIFA forgiving a portion of the loan (i.e., converting a portion of the WIFA loan to grant). Joe Heatherly replied that it has not been discussed with WIFA, and Jerry noted the Town may want to consider reaching out to Mr. Jarvis to discuss.

- AMEC is finalizing their responses to USDA review comments on the Phase 2 plans and specifications. The Town, USDA, and AMEC, have agreed on methods for repairing the pavement along the proposed sewer. Pavement repair will consist of full-width chip seal for the alleys. Discussion was held regarding the type/thickness of chip seal that will be used. Mark Ipson will send the WWAB members a copy of the sample chip seal detail that USDA used on a previous project in Yuma. USDA will also allow full-width replacement along a portion of Kent Ave., with compacted ABC in the portions of Cactus Street within the alleys, and T-Top everywhere else.
- AMEC will be resubmitting the Phase 2 plans to USDA by the end of January, and USDA will take a couple weeks to review the updated plans. Coordination with Arizona Water Company is also ongoing regarding how waterlines will be replaced as necessary during the sewer project. Southwest gas has also reviewed the sewer plans and is familiar with the proposed alignments. Southwest gas has recently also been doing quite a bit of work in Town, and it is understood that they are preparing as-builts to show what they encountered as they trenched for their new lines and to show the location of their new lines.
- The schedule for Phase 2 shows that AMEC will resubmit the plans and specifications USDA by January 30th, and that USDA will review the plans by mid-February. The Town anticipates having the plans out to bid around the end of February or beginning of March, with the selected contractor receiving the notice to proceed around April 7<sup>th</sup>.
- The budget summary for the project to date was reviewed and discussed. Mark Ipson will send the WWAB members a PDF copy of the budget summary.
- Phase 3-5 Easement Acquisitions: Town attorneys are preparing the easement documents and standard forms for the Phase 305 easements. AMEC is continuing its work on the legals and exhibits for the needed Phase 3-5 easements. There are 61 total easements required for Phases 3-5, affecting a total of 57 parcels. A total of 47 acquisitions (i.e., contiguous easements within adjacent properties owned by the same landowner) are required. To date, 38 legals and exhibits have been completed, and nine remain outstanding. Some of these outstanding legals and exhibits will be completed within a week, and AMEC is waiting on additional information from the titel company on the others. HilgartWilson is preparing color construction exhibits to show the Phase 3-5 landowners as they are approached about the easements needed across their property. The appraiser is also now

starting his work. The Phase 3-5 easement acquisitions are anticipated to be completed by mid-2015. Dale Metz is in Town for a couple months and it is anticipated that the Town will hire him to approach the property owners regarding the easements. This will help speed up the process, especially as Dale may be able to start the discussion with the property owners prior to the completion of the appraisals and ask if they are willing to just donate the required easement. Discussion was held over the potential for the landowners to receive a tax credit for the donated easements. Jay Spehar recommended that the Town look into the possibility of the landowners getting a tax credit for the donation, and Joe Heatherly stated that the Town will need to check with its attorney regarding any possible tax credits for the property owners.

- Phase 3-5 easements need to be acquired prior to the closing for the Phase 3-5 funding. For Phase 2, since all of the Phase 2 easements are now in place, the Phase 2 funding can close within the next couple of months.

**b. Payment Applications**

- AMEC's pay application in the amount of \$27,929.39 for one month of design, program management, and construction management services was reviewed. \$14,110.43 of this will be paid by WIFA and \$13,818.96 will be paid by USDA. Chairman Spehar asked whether the Town had reviewed the pay application. Joe Heatherly responded that he had reviewed it and asked where the costs are being incurred. Mark Ipson noted that the Phase 3-5 easement acquisition work and associated coordination will be paid by WIFA. It was also noted that revisions were being made to the Phase 2 design per USDA comments and that work performed on Phases 3-5 was only related to easement acquisitions. The Wastewater Advisory Board and Joe Heatherly requested that copies of the pay applications be emailed out a couple days before each Wastewater Advisory Board meeting to allow the board members more time to review prior to the meeting. Joe Heatherly asked if there are sufficient remaining WIFA funds for Phases 3-5. Mark Ipson noted that the authorized Phase 3-5 work, which does not include Phase 3-5 design, is included in the remaining WIFA budget. Additional discussion was held regarding the remaining WIFA money for Phases 3-5. A motion was made by Jerry Barnes and seconded by Rick Powers to recommend to Council the approval of AMEC's invoice in the amount of \$27,929.39, subject to funding agency concurrence. All in favor.
- Curtis, Goodwin, Sullivan, Udall & Schwab's (CGSUS) pay application in the amount of \$10,492.54 for legal services was reviewed. \$1,317.36 of this will be paid by WIFA and \$9,175.18 will be paid by USDA. Joe Heatherly noted that the Town had reviewed this pay application and found it acceptable. However, he wanted to know why it took so long for some of CGSUS's invoices to be included in their pay application. Mark Ipson responded that HilgartWilson was not previously aware of the outstanding invoices, as CGSUS had sent the invoices directly to the Town, and had not copied HilgartWilson. Joe stated that moving forward, the Town will forward all sewer-related CGSUS invoices to HilgartWilson as soon as the Town receives them. A motion was made by John Trujillo and seconded by Rick Powers to recommend to Council the approval of Curtis, Goodwin, Sullivan, Udall & Schwab's invoices in the amount of \$10,492.54, subject to funding agency concurrence. All in favor.
- Economists.com pay application in the amount of \$9,500.00 for the recent rate study was reviewed. Joe Heatherly noted that the Town had reviewed this pay application and found that it matches the contracted amount for Economists.com's

work. A motion was made by Rick Powers and seconded by Jerry Barnes to recommend to Council the approval of Economits.com's pay application in the amount of \$9,500.00, subject to funding agency concurrence. All in favor.

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

- No public comment.

**V. Adjournment:**

- Jerry Barnes motioned to adjourn the meeting and Rick Powers seconded the motion. All in favor. The meeting was adjourned at 4:53 pm.