



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

THURSDAY, MARCH 19, 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 4:00 pm by Jay Spehar.

II. Roll Call

PRESENT: Rick Powers, Ray Webb, Jay Spehar

ABSENT: John Trujillo, Jerry Barnes

III. Approval of Minutes

a. Approval of Minutes from the February 19, 2015 Meeting

- Ray Webb motioned to approve the minutes of the February 19, 2015 meeting. Motion was seconded by Rick Powers – All in favor.

IV. New Business

a. Project Status Update

- Ron Hilgart provided a brief update on the wastewater project.
- Pump Station update: Phase 1A/1B construction is complete, but there have been some recent issues at the pump station. A meeting was held on March 19th to discuss a plan of action to address the problems. Pump #1 is still operational, and Pumps #2 and #3 are both down. There is a back up pump at the pump station to provide backup in the event pump #1 goes out. It is believed that the main issue for Pump #2 is the gravel, sand, and rock coming into the system, which is presumed by the Town to be coming mostly from the Mackey Camp area. Pump #2 is located across from inlet of lift station and its impeller takes the biggest hit from the gravel and sand. All three pumps have hardened impellers meant to handle some grit, but not the large amount of grit and larger material they are experiencing. Pump #2 is out for repair, and the Town has accepted that the damage to Pump #2 is not a

warranty issue. Pump #3 is also in for repair, and has been a point of contention since the supplier and the Town disagree as to what caused the pump failure and whether or not it is covered by warranty. As of the 3/19 meeting, FNF Construction agreed that they would have the pump fixed quickly as a warranty item, and that they will argue the warranty issue with the supplier as needed, and will take responsibility for getting it fixed. At the 3/19 meeting, it was also decided that AMEC will have the programmer come up to the Town to work with Wes and his staff on a few additional programming items and provide some additional training on the equipment. The project team also looked into potential methods for creating a better settling chamber in the wet well by turning the pump inlets upward, but it was decided that doing so would make the Pump #2 condition worse. The Town is hopeful that with the winter rains behind them and Phase 2 going out to bid soon, the contractor will have the Mackey Camp area completed before the summer rains. Discussion was held regarding the cause of sand and gravel coming into the lift station and potential solutions for protecting the pumps. Discussion was also held regarding the recent winter storms and the associated high flows that were observed in the system.

- The Phase 2 easements are all in place and certified. The new wastewater rates went into effect March 1st. The Town has also worked out loan terms with WIFA to take out additional debt with USDA. On March 9th, the MPC and Town Council met and voted to move ahead with the Phase 2 closing. On March 12th, USDA agreed to a closing amount of approximately \$5 million. Combined with money left over from the Phase 1 closing, this provides sufficient funds for the projected Phase 2 costs, with an additional 15% contingency. Jeff Hooper at USDA recently informed Ron Hilgart that the Town has an option to get the Phase 2 closing ready, but not close until immediately after the bid opening. That way, if the Town finds that the bids come in higher than anticipated, the Town can take the additional needed funding. Otherwise, if the Town finds that bids come in lower than anticipated, it can reduce the amount of the Phase 2 closing, thereby minimizing the amount of loan being taken out for Phase 2. The first 20% of the closing amount will be loan, and any potential for reducing that total funding amount will help the Town take on less loan at this time.
- USDA has had the Phase 2 documents for review since January 30th, and intends to complete the review within a week. It is hoped that USDA will have no further comments, and that if there are any comments, AMEC will be able to turn them around quickly. The Town is hopeful to be out to bid around the end of March or the beginning of April. The Town also anticipates issuing an addendum at the pre-bid meeting requiring the contractors to complete the Mackey Camp in a timely manner. This Mackey Camp work includes cleaning the pipelines out, videoing the pipelines, and replacing the manholes. A contingency has also been included for some repair work in the lines, as needed. Susan Goodwin also had a handful of comments on the specifications, which HilgartWilson is coordinating with AMEC and USDA to get incorporated, where acceptable to USDA.
- A brief overview was given for the Phase 2 funding, which consists of total funds over \$7 million, including over \$2 million left over from the Phase 1A/1B closing.
- Per the updated schedule, the Town anticipates having bids due in late April, with a notice to proceed following a few weeks after. Once bids are received, they are reviewed by HilgartWilson, the Town, and USDA, as well as the WWAB and Town Council. The anticipated start of Phase 2 construction is mid-May, with completion anticipated around the beginning of 2016.

- Phase 3-5 easement acquisitions moving forward. AMEC's design efforts on Phase 3-5 are currently on hold to preserve the remaining WIFA money for the easement acquisition process. Dale Metz has approached most property owners, and a draft appraisal report has been provided by Dennis Lopez. Mr. Metz identified a couple errors that he will discuss with Mr. Lopez. There is currently only one easement acquisition that still needs a legal and exhibit, and AMEC and the attorney's office are working with the Title Company to clarify a few questions about that parcel. In all, Phases 3-5 have 61 total easements and 43 acquisitions. All 43 commitments have been received, 42 legals/exhibits have been completed, and 42 of the acquisitions have appraisals. Dale noted that the Town has 8 easements already signed. There are 7 others across properties with deceased owners, which the attorney may need to work on. Most of the landowners the Town has spoken with anticipate either donating or selling the easements to the Town. The easements need to be in place before the Phase 3-5 funding can be released, and USDA will only pay for work related to land already owned by the Town, or for which the proposed improvements pass through an existing easement.
- The total WIFA loan amount is \$3.25 million, of which \$3.244 million is projected to be spent by the time the Phase 3-5 easements are in place. It is recommended that the Town contact Susan Goodwin to expedite the acquisitions of easements across properties with deceased owners. Dale Metz noted that as far as he is aware, the properties of the deceased landowners are up to date on their taxes.
- Phase 2 funding is not impacted by the outstanding Phase 3-5 easements. However, due to limited WIFA funding, the Town wants to start the condemnation process, if needed, for any easements where the landowner does not want to donate or sell the easement to the Town.

b. Payment Applications

- AMEC's pay application in the amount of \$18,231.68 for one month of design, program management, and construction management services was reviewed. \$10,931.08 of this will be paid by WIFA and \$7,300.60 will be paid by USDA. Discussion was held regarding the Program Management services included on AMEC's invoice. The Town noted that it reviewed the pay application and that everything is in order. A motion was made by Rick Powers to recommend to Council the approval of AMEC's pay application in the amount of \$18,231.68 subject to funding agency concurrence. Ray Webb seconded the motion. All in favor.
- Curtis, Goodwin, Sullivan, Udall & Schwab's (CGSUS) pay application in the amount of \$1,032.22 for legal services was reviewed. \$792.92 of this will be paid by WIFA and \$239.30 will be paid by USDA. The Town noted that it reviewed the invoice and that it is in order. A motion was made by Ray Webb to recommend to Council the approval of the CGSUS pay application in the amount of \$1,032.22 subject to funding agency concurrence. Rick Powers seconded the motion. All in favor.

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

- No public comment.

V. Adjournment:

- Rick Powers motioned to adjourn the meeting and Ray Webb seconded the motion. All in favor. The meeting was adjourned at 4:32 pm.