



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

THURSDAY, JULY 9, 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: Jay Spehar Ray Webb, Rick Powers, Jerry Barnes

ABSENT: John Trujillo

III. Approval of Minutes

a. Approval of Minutes from the April 16, 2015 Meeting

- Ray Webb motioned to approve the minutes of the April 16, 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.

- Ron Hilgart provided an update on Phase 2.
 - The Phase 2 plans were put out to bid on April 6th, a pre-bid meeting was held on April 23rd, and bids were opened on May 7th. KinKaid Civil Construction was the low bidder. The low bid came in slightly less than the engineer's estimate. HilgartWilson prepared a tabulation of all bids received. HILGARTWILSON also followed USDA guidelines on the vetting process for contractors. All vetting has been completed and the bid tabulation has confirmed Kinkaid is the low bidder. The bid tabulation and results of the vetting were expected to be presented to the WWAB on May 26th for a recommendation to Council, but the award of contract and Phase 2 USDA closing were put on hold as discussed below.

- As noted above, the Phase 2 award of contract and USDA funding closing was placed on hold by USDA due to certain requirements of USDA not being complete. This includes three years of audits, the preparation and submittal of a vulnerability and emergency plan, certification of the number of users, and funding of certain reserves. At this time the Town has completed two of the three audits, completed the vulnerability and emergency plan, completed certification of the number of users and is currently in the process of selling Town property to fund the reserves. USDA has indicated that all items must be submitted as one package and the project cannot move forward until all items have been reviewed and approved. Joe Heatherly is trying to contact Nancy Veres at USDA to see if she would accept everything but the one audit. Jay Spehar noted that significant project delays have occurred due to certain individuals from the Town contacting USDA directly and raising concerns without the authority to do so. Jay stated he would be interested in knowing the cost of all the delays of the project due to those without authority contacting USDA.
- Jay Spehar asked that the bid tabulation be forwarded to the advisory board and presented at the next meeting. Ron Hilgart apologized for not having the bid tabulation at the meeting and promised to forward it to WWAB members the following day and to present it at the next meeting.
- It was agreed that a special WWAB meeting would be held to review the bid tabulation and recommend approval of the contractor to the Council if USDA allowed the project to move forward without the final audit be completed.
- It is expected the final audit will take approximately 30 days to complete and the sale of the Town property could occur within the same timeframe. Ron Hilgart has talked to USDA and USDA has agreed that the contractor can extend their 90 day bid guarantee period by submitting a letter in writing. Ron has talked to the contractor who has agreed to submit a letter extending the bid guarantee period from 90 days to 120 days. It is questionable whether or not the contractor will extend beyond the 120 days due to the price of materials increasing. However, it is expected that the final audit and sale of the Town property can occur within the 120 days.
- Ron Hilgart provided a budget update for the project. The project is still on budget and the budget remains relatively unchanged from that presented in April.
- The Phase 3-5 easement acquisitions are ongoing. Dale Metz was representing the Town in contacting the various landowners, but has now returned to his home back east. Joe Heatherly will continue to work with the landowners in the acquisition process but the priority of late has been to complete those items necessary for the Phase 2 closing. Jay Spehar stated that FMMI is ready to grant those easements on FMMI property.
- The Phase 3-5 WIFA funding summary shows the Town still has about \$130,000 that has not yet been spent of the total \$3.25 million WIFA loan amount. The only major outstanding items to be covered with WIFA funding are the Phase 3-5 easement acquisitions.
- Negotiations have continued with Tri-City Regional Sanitary District (TRSD) and several drafts of the intergovernmental agreement (IGA) have been prepared, reviewed, edited and exchanged. TRSD intends to have an election in November of this year.

b. Payment Applications

- AMEC's pay application in the amount of \$38,945.54 for two months of design, program management, and construction management services was reviewed. \$7,649.29 of this will be paid by WIFA and \$31,296.25 will be paid by USDA. Joe Heatherly stated the Town has no comments on the pay application. A motion was made by Jerry Barnes to recommend to Council the approval of AMEC's pay application in the amount of \$38,945.54 subject to funding agency concurrence. Rick Powers seconded the motion. All in favor.
- Curtis, Goodwin, Sullivan, Udall & Schwab's (CGSUS) pay application in the amount of \$14,696.46 for legal services was reviewed. \$7,207.86 of this will be paid by WIFA and \$7,488.60 will be paid by USDA. The Town noted that it reviewed the invoice and that it is in order. Jay Spehar noted that a large portion of the legal fees was for negotiations and review of the IGA with TRSD. Ron and Joe both commented that there has been significant effort related to this IGA. Jay Spehar questioned whether or not the WWAB should be making a recommendation on services related to the IGA if the WWAB is not reviewing or commenting on the IGA. After discussion, it was agreed that the WWAB should not make a recommendation on legal fees associated with the IGA. Motion was made by Jerry Barnes to recommend to Council the approval of the CGSUS pay application except specifically excluding any recommendation for charges related to the TRSD IGA and subject to funding agency concurrence. Rick Powers seconded the motion. All in favor.
- The Town of Miami's pay application in the amount of \$4,904.55 was reviewed. This pay application is for time spent by Dale Metz for services related to acquisition of Phases 3-5 easements. A motion was made by Rick Powers to recommend to Council the approval of the Town of Miami pay application in the amount of \$4,904.55 subject to funding agency concurrence. Ray Webb seconded the motion. All in favor.

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

- No public comment.

V. Adjournment:

- Ray Webb motioned to adjourn the meeting and Rick powers seconded the motion. All in favor. The meeting was adjourned at approximately 5 pm.