



**TOWN OF MIAMI**  
**Wastewater Advisory Board Meeting**  
**Wastewater Collection System Replacement Project**  
**THURSDAY, FEBRUARY 23, 2017 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 4:07 pm by Jay Spehar.

**II. Roll Call**

PRESENT: Jay Spehar, Ray Webb, Jerry Barnes

ABSENT: John Trujillo, Don Reiman

**III. Approval of Minutes**

a. Approval of Minutes from the January 19, 2017 Meeting.

- Jerry Barnes motioned to approve the minutes of the January 19, 2017 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:
  - Not a lot of construction was completed over the past month as Phase 2 is mostly complete. Mr. Ipson gave a brief overview of the change orders and allowance summaries to date and noted that the net amount of change orders is approximately \$197,000, including deductions for work that has been deferred to later phases. The total change order amount that has been deferred is approximately \$535,000. As such, this amount has been removed from the Phase 2 budget and added to the budgets for future phases of the project. Discussion was held regarding Kinkaid's final contract amount and a forthcoming reconciliation change order.
  - Mark Ipson gave a brief overview of the unknown utility and Mackey Camp allowance summaries. It was noted that there is nearly \$40,000 left in the unknown utility allowance and \$19,500 left in the Mackey Camp allowance. It is anticipated that as part of the reconciliation change order, these remaining balances will be pulled out of the contract. Joe Heatherly asked if the final

reconciliation change order would include the \$358,000 settlement cost, to which Mark Ipson replied it would not. Additional discussion was held regarding the total change order and allowance amounts and how they compare to the overall Phase 2 budget.

- Joe Heatherly provided an update of the settlement status between the Town and Kinkaid. Mr. Heatherly explained that there are four change orders and an equitable adjustment for which the Town, AMEC, and Kinkaid went to mediation. These items were not resolved through mediation, a lawsuit was filed, and a settlement amount of approximately \$358,000 was subsequently agreed upon. USDA has reviewed and concurred to the settlement amount, however the settlement will not be funded through the remaining grant money and USDA is currently in the process of working with the Town on an additional loan for the settlement amount. Additional discussion was held about the current status of this additional USDA loan. Jerry Barnes asked if there would be a rate increase due to this additional loan to which Mr. Heatherly replied that such was not the case.
- Joe Heatherly provided an overview of the outstanding issues that still have not been completed for the Phase 2 construction. The Town has received all but two lien releases, one of which is from Old Castle Precast and the other is from Kinkaid. Jay Spehar asked Kinkaid about the status of these releases. Jameson Owen of Kinkaid explained that once Kinkaid receives payment from its latest payment application, they would be able to process the Old Castle payment and obtain those lien releases. However, they are still waiting on that payment from USDA. Mr. Owen further explained that the Kinkaid lien releases cannot be processed until the contract amount is finalized, which includes the reconciliation change order.
- Tim LeClair of AMEC gave an overview of the paving reconciliation. There was an issue regarding some of the PCCP work that was completed along one of the streets in Town, which failed to pass the strength tests per the specifications. Mr. LeClair explained that per MAG and ADOT standards, this work could be deducted from the contract instead of having the PCCP replaced. Jerry Barnes asked what work failed. Mark Ipson explained that the concrete cylinder tests did not meet the 3,000 psi requirement at the 28 day and 56 day periods. Additional discussion was held about the PCCP issue and how a potential deduction could be incorporated into the reconciliation change order.
- Tim LeClair gave an overview of the outstanding slurry seal issue. He explained that per MAG Specifications, any pavement cut over 300 feet in length requires a slurry seal, which was not completed. Jameson Owen stated that this is the first time this issue has been brought up during the project. He then explained that aside from a brief conversation last week about the slurry seal, the slurry seal was not part of the final punch list items and that if this work is required, Kinkaid will wait on an official request from the Town to perform the work. Additional discussion was held as to whether this work would be ultimately be requested of Kinkaid.
- Tim LeClair stated that the as-builts for the Phase 2 construction have been completed and AMEC hopes to submit them to ADEQ within the next week. Jay Spehar asked if this is a submittal that would be easily approved. Mr. LeClair explained that ADEQ would ultimately issue an Approval of Construction, but that such would not be issued until AMEC puts its final stamp on the drawings and includes all testing documents and video inspections. Additional discussion

was held regarding who within ADEQ reviews and approves the documents, and the type of documentation the WWAB might receive for the as-builts.

- Joe Heatherly provided an overview of the five sinkholes that have been observed recently throughout the Town. One sinkhole was observed at the manhole near Reppy Avenue and Sullivan Street. This sinkhole started approximately six feet west of the manhole then spread to the area around the manhole. The concrete collar for manhole has now been chipped due to the surrounding sunken ground and vehicle traffic hitting the manhole rim. Sinkholes were also observed next to a cleanout near Sullivan Street and Plaza Avenue and at the manhole in the same intersection. The worst sinkhole was seen along Plaza Avenue between Sullivan Street and Highway 60, and the final sinkhole observed to date is near a manhole at Laurel Avenue. Mr. Heatherly stated that Kinkaid has indicated that the sinkholes were not Kinkaid's fault and Mr. Heatherly explained that if Kinkaid did not repair the sinkholes then the Town would make the repairs and deduct this cost from Kinkaid's retainage. Jerry Barnes asked if these were actual sinkholes or if these are compaction issues that have settled out. Mr. Heatherly stated that they are sinkholes and are getting worse each day. Jerry Barnes suggested that this may be due to the sealant in the pipes failing to which Mr. Heatherly explained that no issues were found in the pipes when ProPipe recently came out and video inspected the sewers. This, Mr. Heatherly said, leads him to believe it is a compaction issue. Discussion was held about the compaction tests, their spacing, and how the compaction tests that were performed met the specifications.
- Jay Spehar asked Kinkaid to provide their opinion on the sinkhole issues. Derek Borum from Kinkaid responded that Kinkaid came up to the Town of Miami on two separate occasions to observe the sinkholes and within the 10 days between inspections, the sinkholes sunk significantly. When removing sections of asphalt near Sullivan Street and Reppy Avenue, it was noticed that there was significant saturation underneath the asphalt and subgrade, where dry compacted soil would normally be anticipated. Kinkaid was able to dig a sharpshooter through the subgrade with no additional weight, where the subgrade should typically be solid. Kinkaid then excavated the 12 inches of AB that was installed previously by Kinkaid and found an approximately 4-foot wide cavity when poking around with the sharpshooter. Kinkaid did not notice any obvious signs of poor compaction or defective installation of the sewer and therefore recompacted the soil and replaced the asphalt. Mr. Borum explained that similar observations were made at the sinkhole at Live Oak Canyon Road and Lauren Avenue, however this area was unique in that Kinkaid had already repaired this section previously and found similar results. During the first time, Kinkaid removed soil from an area approximately 35 feet long, 4 feet wide, and 5 feet deep, then recompacted in 1 foot lifts, achieving 100% compaction for both the lifts and the asphalt. The most recent failure at Live Oak Canyon Road and Lauren Avenue included both the original trench patch and the newly compacted area that Kinkaid had recently repaired. Kinkaid found similar saturated soils in this area and also found an approximate 3-foot wide cavity in their investigation. Since Kinkaid did not observe any obvious indications of poor compaction or installation, they recompacted the soil and replaced the asphalt. Mr. Borum related that Kinkaid found similar saturated soils near Plaza Avenue and Sullivan Street, and did not do any further investigative work there. Kinkaid came back up to the Town two days later per the Town's request and

potholed one sinkhole along Plaza Avenue between Sullivan Street and Highway 60. When removing the asphalt at this location, the same saturated soil conditions were discovered, although unlike the other sinkholes, there was a large cavity immediately below the asphalt. Kinkaid removed the cavity portion, investigated and found no obvious signs of leakage or defective installation of the sewer main, recompacted the soil, and notified Town staff of Kinkaid's safety concerns for that area. During this time, Kinkaid also had a testing company perform some sampling and Kinkaid is awaiting the test results of the soils within the sinkhole areas. Mr. Borum stated that in Kinkaid's opinion, the saturated soil and sinkhole issues result from a high water table. Further discussion was held about the high water table and Kinkaid concluded that the sinkholes were not Kinkaid's fault due to the fact that the compaction tests had passed and that no defective installations were observed with the RPR onsite.

- Jerry Barnes asked Tim LeClair with AMEC if he believes that the sinkholes are a result of a compaction issue, given what Kinkaid said. Mr. LeClair responded that it AMEC's opinion that the sinkholes are due to poor compaction. Jerry Barnes further asked if any measures have been taken to fix the sinkholes, and Kinkaid said that they had not been approached to fix the sinkholes yet. Further discussion was held about the best way to move forward and addressing the issues. Mr. LeClair shared that a plan was discussed during the construction meeting held immediately prior to the WWAB meeting.
  - Joe Heatherly provided an overview of the backwater valve issues. A citizen called the Town to notify that their sewer service was backing up. Upon investigation it was noticed that portions of the backwater valve assembly were mistakenly glued together due to improper installation. This issue caused some of the valves along Canyon Avenue to not function properly. Mr. Heatherly stated that if the portions of valve assemblies that were improperly glued together cannot be freed, then the entire valve assembly would need to be replaced. The Town will determine which valves need to be replaced and will notify Kinkaid. Jerry Barnes asked if Kinkaid was present with the Town to observe the backwater valves. Jameson Owen with Kinkaid responded that this was the first time that Kinkaid had heard of the issue and that typically this would fall under a warranty item. Additional discussion was held about the backwater valve issue and the steps that would be taken to resolve the issue.
  - Mark Ipson gave a brief overview of the anticipated reconciliation change order. The final numbers for this change order are being determined as Tim LeClair is reviewing the as-builts submitted and tallies up the total installed quantities.
  - Joe Heatherly stated that there are other miscellaneous outstanding items from Phase 2, which will be addressed in a letter to Kinkaid. These include the fence and water line at the Public Works Yard and the air line on Nash. Jameson Owen of Kinkaid asked if the Town's intent is to use Kinkaid's retention to pay for these miscellaneous items even though they are not part of the project, to which Joe Heatherly replied yes.
  - Mark Ipson gave a brief overview of Kinkaid's retainage to date and noted that the latest approved pay application for Kinkaid showed a retainage amount of approximately \$243,000.
- Phases 3-5:
    - Mark Ipson discussed the construction phasing planned for Phases 3-5. Phase 3 includes work at the east end of Town and in the Miami Gardens area, while

Phases 4 and 5 include work on the north and south sides of Highway 60, respectively.

- Mark Ipson noted that the contract for the Phases 3-5 Construction Management services has been reviewed by the Town. Joe Heatherly is currently working with USDA to finalize the contract and anticipates that it will be approved soon.
- Mark Ipson and Tim LeClair noted that Pro-Pipe has been wrapping up their video investigation of the sewer system. Tim noted that, as expected, there were certain areas that had deteriorated pipe and other issues. Additional discussion was held about the issues with the video inspections and other sewer system deterioration concerns.
- **Total Project Cost Review**
  - Mark Ipson gave an overview of the total project costs to date, broken down by phase. Costs were further broken down between soft costs and construction costs. Mr. Ipson noted that the costs shown do not include the reconciliation change order. The entire sewer project is approximately \$1.89 Million over budget, and this overage will need to be reduced during future phases by cutting back the scope of work for Phases 3-5. This may include eliminating service lines to vacant lots or abandoned buildings. However, the reduction in the scope of work cannot be finalized until the video inspection of the Phase 3-5 sewers is complete. Additional discussion was held about what work may be eliminated from future phases to bring the overall project cost in line with the original budget.
  - Per Jay Spehar's request from January's WWAB meeting, Mark Ipson provided a breakdown of the Project's soft costs to date. Discussion was held regarding the breakdown of the soft cost line items.

**b. Payment Applications**

- AMEC's pay application in the amount of \$12,187.55 for two months of Design, Construction Management, and Program Management services was reviewed and discussed. Joe Heatherly stated that the Town reviewed this pay application and found it acceptable. A motion was made by Jerry Barnes to recommend to Council the approval of AMEC's pay application in the amount of \$12,187.55, subject to funding agency concurrence. Ray Webb seconded the motion. All in favor.
- Town of Miami pay application in the amount of \$8,781.16 for legal and other project-related expenses was reviewed and discussed. Joe Heatherly stated that most of this pay application is for costs incurred for legal fees associated with the project and hard labor, inspections, and cleanup of Phase 2. A motion was made by Ray Webb to recommend to Council the approval of the Town of Miami pay application in the amount of \$8,781.16, subject to funding agency concurrence. Jerry Barnes seconded the motion. All in favor.

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

- No public comments were given.

**V. Adjournment:**

- Ray Webb motioned to adjourn the meeting. Seconded by Jerry Barnes. All in favor. The meeting was adjourned at 5:20 pm.