



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

THURSDAY, APRIL 20, 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 4:05 pm by Jerry Barnes.

II. Roll Call

PRESENT: Jerry Barnes, Ray Webb, Don Reiman

ABSENT: Jay Spehar, John Trujillo

III. Approval of Minutes

a. Approval of Minutes from the March 23, 2017 Meeting.

- Don Reiman motioned to approve the minutes of the March 23, 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:
 - As discussed last month, Phase 2 is mostly complete with the exception of the few outstanding items that were presented in last month's meeting. These outstanding items include the Sykes Alley paving, the water leak in the public works yard, slurry seal coat, sinkholes, and the reconciliation change order. Discussion was held regarding the differences in cost estimates received by AMEC and Kinkaid for the slurry seal coat work. Mr. Ipson explained that the estimate provided by Kinkaid left out costs relating to traffic control, which could be a significant portion of the slurry seal coat cost. Discussion was held regarding the timing for having the slurry seal work completed by Kinkaid in light of the needed repairs to the sinkholes. The preliminary findings of the geotechnical report on the sinkholes were discussed, as was the projected costs for the water line within the public works yard. Other outstanding items relating to Phase 2 include the settlement payment for equitable adjustment,

which the Town had settled with Kinkaid back in December 2016, and finishing the documentation to close out Phase 2.

- Mr. Ipson gave an overview of a meeting recently held between the Town, AMEC, Kinkaid, and HILGARTWILSON to discuss the outstanding items for Phase 2. The meeting resulted in an impasse, as Kinkaid felt they were still owed a higher retainage amount than what was being proposed by the Town. Because of this, two coversheets for Kinkaid's payment application were provided to the WWAB. One of these shows what Kinkaid feels they are owed and the other shows what is proposed by AMEC, the Construction Manager for Phase 2. Additional discussion was held regarding the plan moving forward to address the outstanding items. Jerry Barnes asked if the contract with Kinkaid has a clause within it that addresses arbitration, to which Tim LeClair with AMEC replied that it does. Mr. LeClair further explained that the arbitration would most likely be initiated by Kinkaid since they are the ones who feel they are owed more money than what is being released by the Town at this time.
- Phases 3-5:
 - Mark Ipson discussed the construction phasing and AMEC's preliminary recommendations for Phases 3-5 work. AMEC's recommendations are based on their findings from the CCTV investigations. 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. Phases 3-5 have a budgeted construction cost of approximately \$11 Million. It was noted that Phases 3-5 will be put out to bid under a single contract.
 - Mark Ipson gave an overview of AMEC's recommendations for Phases 3-5. It was found that significant portions of the sewer rehabilitation work may be achieved by CIPP, which could result in cost savings for the Project and would reduce the potential negative impact of issues such as unknown utility crossings. Additional discussion was held regarding the CCTV findings and the CIPP construction process.
 - Mark Ipson discussed the preliminary schedule for Phases 3-5. AMEC has submitted their recommendations for Phases 3-5 to the Town. AMEC is still working on sewer solutions for certain portions of the work, including the Bloody Tanks Wash area. HILGARTWILSON's Construction Manager has visited the site to walk the alignment and will be reviewing the CCTV videos to verify AMEC's recommendations. The Town is also reviewing the recommendations and will provide AMEC direction on how to revise the plans. It is anticipated that the revised plans will be submitted to ADEQ and USDA for review during the month of June. It is hoped that Phases 3-5 will be out to bid by the end of July and that a Notice to Proceed can be issued by mid-September.
 - Mark Ipson gave a brief overview of the total project costs to date, which have not changed significantly since last month. Don Reiman asked if the Project was still within budget. Mark Ipson explained that based on the Preliminary Engineering Report, the project is about \$1.9M over budget if the bids for Phases 3-5 come in around the amounts projected in the report. It was further explained that the recommended CIPP work could potentially result in some cost savings. Additional discussion was held regarding the breakdown of the overall project budget.

b. Payment Applications

- Kinkaid's pay application in the amount of \$184,872.85 for retainage associated with Phase 2 Construction services was reviewed and discussed. Mark Ipson provided an overview of the difference in pay application amounts between what Kinkaid submitted and what the Town believes should be released due to the outstanding items discussed previously. Kinkaid feels that, based on their assumptions and calculations, approximately \$58,400 should be withheld for retainage and that the reset of the retainage should be released. The Town and AMEC, however, calculate the amount of retainage that should still be withheld to be approximately \$174,500. Additional discussion was held regarding the outstanding issues and retainage amounts. Don Reiman asked Kinkaid's pay application shows the \$184,872.85 amount on the agenda when the Town and AMEC are recommending it to be \$68,723.13. Mark Ipson explained that the WWAB can approve up to the amount shown on the agenda and it was decided to leave the higher amount on the agenda in the event that the Town decided to release more of the retainage than was being suggested by AMEC. Joe Heatherly stated that the Town reviewed this pay application and believes that Kinkaid should only be paid the \$68,723.13 amount, and not the full requested amount. Mr. Heatherly further explained that the amounts listed for the outstanding items are estimates only, and that if the repairs come under the amounts shown, then the remaining monies will be released to Kinkaid. The Town is finding that the sinkholes are the hardest item to estimate costs for, and, as time goes by, more and more sinkholes are being discovered. Jerry Barnes asked AMEC if the method of compaction followed by Kinkaid met AMEC's design. Tim LeClair explained that AMEC did not design any compaction since it is called out as being per the MAG specification. Additional discussion was held about the compaction results and whether or not they met specification. A motion was made by Don Reiman to reject Kinkaid's pay application in the amount of \$184,872.85 and approve a partial payment of the pay application in the amount of \$68,723.13, subject to agency concurrence, with the stipulation that the remaining retainage be released when the outstanding items are completed. Ray Webb seconded the motion. All in favor.
- AMEC's pay application in the amount of \$27,242.74 for one month of Design and Construction 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 Ray Webb to recommend to Council the approval of AMEC's pay application in the amount of \$27,242.74, subject to funding agency concurrence. Don Reiman seconded the motion. All in favor.
- Town of Miami pay application in the amount of \$24,022.68 for legal and other project-related expenses was reviewed and discussed. Mark Ipson and Joe Heatherly explained that most of this pay application is for costs incurred for legal fees associated with the project and for hard labor, inspections, and cleanup associated with the sewer project. A motion was made by Don Reiman to recommend to Council the approval of the Town of Miami pay application in the amount of \$24,022.68, subject to funding agency concurrence. Ray Webb seconded the motion. All in favor.

c. AMEC Contract Amendment No. 33

- AMEC Contract Amendment No. 33, for a \$149,623.00 increase in AMEC's contract price to cover funds for additional construction phase services related to Phase 2 of the project and investigative and design services for Phases 3-5, was discussed. Tim LeClair explained that the contract amendment amount is actually lower to approximately \$138,000.00 as remaining budgets for finished tasks have been shifted to this

amendment. Joe Heatherly stated that AMEC has indicated that if the contract amendment is not approved in full, then AMEC would walk away and be finished with the project. Brian McBride of AMEC interjected that was not correct, and clarified that AMEC is willing to work with the Town and negotiate a lower contract amendment amount by reducing the fees for some of the tasks. Brian further explained that in order for the project to move forward, the tasks in the contract amendment cannot be piece-mealed. Discussion was held about the contract amendment and how the amount can be adjusted in order for the project to move forward. AMEC stated that they don't anticipate they will have any additional charges for closing out Phase 2. AMEC also stated that it would be agreeable to lowering the contract amendment amount to \$128,474.00. A motion was made by Ray Webb to recommend to Council the approval of revised AMEC Contract Amendment No. 33 in the amount of \$128,474.00, subject to funding agency concurrence. Don Reiman seconded the motion. All in favor.

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

- No public comments were given.

V. Adjournment:

- Don Reiman motioned to adjourn the meeting. Seconded by Ray Webb. All in favor. The meeting was adjourned at 5:32 pm.