

**Board of Directors of the Trujillo Trail DWID, SCC Arizona**  
**Meeting Minutes, March 12, 2024 at 5:00 P.M. MTS Time via Zoom**



1. **Call to Order & Roll Call:** Meeting called to order at 5:00 p.m. MST. J. Combo, D. Luckadoo were present and J. Jenkins joined the meeting at 5:15. Also present were E. Stubbs, F. Cassidy and M. Flanders.

2. **Approval of Minutes of February 27, 2024 Meeting and January 6, 2024 Meeting:** J. Combo moved to approve the minutes., the motion was Seconded and unanimously approved.

3. **Discussion and possible action with the goal of creating options and/or selecting a bidder regarding bids received 2/27/2024 for WIFA Project DW 026-2022 and various potential actions with WIFA regarding the same project.** Two bids were received. One bid was received from a previous bidder at approximately 1,375,000 and a new bidder which was received by mail the day prior to the Meeting at \$872,000, both figures are rounded up. Robin Dumas from SEAGO was at the meeting and knows both of the firms. We have spoken with Samantha at WIFA, in the context of what we would need to do to get more money, or how we could cut items out of the contract. She responded with their schedule for requesting further funding. The timeline to handle a new request would take us to the end of June. We would then have to go through a new bid cycle. This would be problematic for us in several ways, especially with increased costs. The one bidder was asked, if we cut out 5 of the 9 items in the project, could that be done. They responded that they could do that, and the cost would be reduced from \$872,000 to \$688,000. Our present loan is at \$699,000 and we are responsible for \$10,000. The \$688,000 is within our ability to pay. We then asked how soon the project could start and they initially said June. We were advised recently that three crews would be available in April, so if we want to use them, we need to let them know immediately. This same bidder will have information on any long-lead items later this week. Long-lead items will be long-lead items no matter when we start the project. The long-lead items would be release valves, so work could proceed while waiting for these items. When trenching across Aliso Springs Road, trench plates will be placed so that Aliso Springs Road would not be shut down but would go to one lane. If we go ahead with the reduced scope, we need to be sure WIFA is Ok with that, we have a contract in the bid documents, so that timeline is good. SEAGO would want a preconstruction conference with the bidder, us, and them to go over Davis Bacon and make sure everything was understood. What would need to be done at 42 to get the water flowing and at what cost. \$64,000 was quoted for electronics and we presently have \$55,000 in our checking account. The electrical costs seem very high, and we should be able to manage the remaining items at a lesser cost than the bidder indicates. The main 4 items we need to accept for them to do are, the 4-inch-high pressure pipeline, air-relief check valves with vaults, the gas line crossing and repair or replacement of pavement edge and crossings, which comes to \$688,000.

With the reduced scope we don't have water in the line until the inhouse work is done at 42 and Trujillo Trail and WIFA needs to understand this. The \$688,000 could have increased costs, and unless we have a bid for the outside work we are taking on, we don't have a final figure for the project. Samantha at WIFA has indicated to us that the inhouse work that the district would be considered force account and would be exempt from Davis Bacon. Hunter's bid had inflated numbers yet they were \$15,000 less for electrical than the KE&G. KE&G put in an amount for road repair and if the scope turns out to be more there could be a

change order. Item 3.4 and 3.5 covers us on that point. We should meet with KE&G to make sure that we have a mutual understanding of what the bid is covering. Frank indicated that any changes, in most cases, fall on the owner. It is usual for there to be an owners' contingency of 5% to 10% of the bid. There is concern that there may be things that come up which will be more than we anticipate. Maybe they bid low to get the project. The question is what can the District afford. We need to submit the Annual Budget to the County by the end of July. We can do rates and fees at any time if we have created the budget capacity for what we are doing. As a District we can also propose an assessment which would be included in the tax bill which we don't want to have to do. There is a process to creating an assessment.

Most of the inhouse work would have to be done at 42. We just put in a new pressure pump and piping and upgrades at Echo and 42 would be in excess of that. Certain things must be done at 42 to meet ADEQ requirements prior to any water going into the pipeline. At Trujillo Trail we could do the bare bones minimum that ADEQ would approve. We are buying a \$5500 pressure pump and Mike's Well Drilling bid was \$6500 for VFDs and we have purchased for \$198 which would not be right for 42, but Automation Direct has US made 10-Horse VFDs that we can derate and will work fine on the ----- pump for \$700. There is concern about the possibility of change orders, but 42 should not be expensive. We would want to wait until the completion or near the completion prior to doing any work at any of the yards. We would do the minimal at Trujillo Trail until we can put in permanent piping. The VFD allows us to control the flow, so that we could move water at a slower rate in order to make it a simple matter to transfer the water from 42 to Trujillo Trail.

There is always a risk that bringing in different parties to do various parts of the project and it opens us up for issues about who is responsible for something that might go wrong. With the revised scope the plan must go to ADEQ. Alan did tell us that we would need to do the ADEQ items at both yards. Alan has received ADEQ approval for the reduced scope. Whoever we use must match or be similar to the drawings approved by ADEQ. We need that approval from ADEQ in our file. There will be a postconstruction inspection to assure ADEQ that we have done what we said we would do. E. Stubbs will follow up with Alan to get ADEQ's approval in our file.

KE&G could finish the pipeline in a couple of months and then we do our portion of the items at 42 and Trujillo Trail in order to get ADEQs approval. There is approval to construct first and then approval to release water through the pipeline. Whatever is done by KE&G, Mike's Drilling and us, needs to coincide with the drawing that has been submitted to ADEQ. It is possible that we could be spending money for the in-house items by the end of the summer.

J. Combo made a motion to authorize J. Combo to sign of the contract with KE&G for the 4 or 9 items of the project, which include 4-inch-high pressure PVC ----- pipeline for \$525,090, air relief check valve with vault for \$990.00, gas line crossing per kinder Morgan specs for \$42,600.00, pavement edge and crossing replacement for \$26,570.00 for a total of \$688,250.00 with the remaining items of the revised scope would be funded directly through force account by the Board using other contractors. Seconded

How is that we decide the other portion of the scope that need to be completed? The remaining 5 items will be pursued by separate contractors. The work at the yards can be done after the pipeline is in or near the end.

Call for the vote: 2 approved-1 disapproved. Motion carried.

It was again stressed that we need to get the ADEQ approval for our file before we do anything. E. Stubbs will follow up with Alan to get in writing that approval. J. Combo will need to go through Robin at SEAGO to let KE&G know that their bid has been accepted. He will contact Robin to find out what the next step is.

If SEAGO requires a signed document Frank will prepare it.

We need to hire Bobby De Angelo to do some project management. J. Jenkins will put Bobby in touch with D. Luckadoo or E. Stubbs.

**4. Adjournment:** D. Luckadoo moved to adjourn the meeting. Motion was seconded and unanimously approved. The meeting was adjourned at 6:19.