

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF  
THE TOWN OF CAREFREE, AZ UTILITIES COMMUNITY FACILITIES DISTRICT  
AND THE BOARD OF DIRECTORS OF THE CAREFREE WATER COMPANY, INC.**

**WHEN:** TUESDAY, MARCH 2, 2021

**WHERE:** ZOOM ONLINE MEETING ID: 322 972 9660\*

**TIME:** 4:30 P.M

**Attending:**

Chairman Les Peterson

**Absent:**

None

**Board Members:**

John Crane

Vince D'Aliesio

Tony Geiger

Stephen Hatcher

Michael Krahe

Cheryl Kroyer

**Also Attending:**

Greg Crossman, General Manager of the Carefree Water Company, Gary Neiss, Carefree Town Administrator, Tracy Grunden; Director, Water & Wastewater, Coe & Van Loo; Ken Kawamoto, Pre-Construction Manager, Achen-Gardner Construction; Michael Wright; Attorney, Sherman & Howard LLC.

Chairman Peterson opened the meeting at 4:30 p.m.

**AGENDA**

**ITEM #1      Approval of the UCFD/CWC Meeting Minutes for December 1, 2020 Meeting.**

Chairman Peterson read the agenda item and asked the Board if there were any changes or edits to the Minutes. There were no questions or changes.

Board Member Kroyer made a **motion** to approve the December 2, 2020 Minutes. There was a **second** by Board Member D'Aliesio. The motion **carried** by a vote of 6 to 0 and 1 with Board Member Hatcher not voting due to technical difficulties with the meeting connection.

**ITEM #2      Approval of the UCFD Meeting Minutes for February 9, 2021 Meeting.**

Chairman Peterson read the agenda item and deferred the approval of the February 9<sup>th</sup> Minutes as they were not ready for review.

**ITEM #3A Review, discussion and possible action to Approve Resolution 2021-02 authorizing the Chairman of the Board of Directors to enter into a Construction Manager At Risk (CMAR) Preconstruction Services Contract with Achen-Gardner Construction, LLC.**

Chairman Peterson read the Agenda Item into the record and introduced General Manager, Greg Crossman.

Mr. Crossman provided a Power Point and presented the matter to the Board of Directors. He explained the presentation would cover two agenda items; 3A and 3B. Both agenda items are related to the Carefree Water Consolidation Project. This agenda item covers the Construction Manager at Risk and the following agenda item covers the a final design and engineering for the project. He reintroduced the representatives of both firms in attendance at the meeting, Ken Kawamoto with Achen-Gardner who is the recommended Construction Manager at Risk for the project, and Tracy Grunden, who is with the firm of Coe & Van Loo Engineers who will be the recommended Consultant for the final design of this project.

Mr. Crossman provided a summary overview and reminder of the nomenclature and terminology for the project. He presented a map of the Carefree Service Area and highlighted the Carefree Water Company Service Area, the Cave Creek Service Area in Carefree and Neighborhoods A, B and C. He said in their entirety, Neighborhoods A, B, and C make up the "Carefree Service Area." About three weeks ago, there was an at length discussion of the acquisition of the Carefree Service Area as it relates to water service for Neighborhoods A, B, and C focusing on disconnecting the Carefree Service Area from the Cave Creek water supply and reconnecting it to the Carefree water supply. The name of the project transition is called the Carefree Water Consolidation Project.

Mr. Crossman presented a Neighborhood Improvements Key Map in order to provide a reminder of the magnitude and complexity of the consolidation project. The boxes shown on the map represent those areas that will require some kind of construction to either disconnect from Cave Creek or reconnect to the Carefree Water Company system. The complexity of the work for each box varies a great deal from a cut and cap to the construction of a new 300k gallon water reservoir. He then provided a map with the overlay of the boundaries of the service areas. To show how the project is disbursed throughout the service area.

The project provides both a lot of construction opportunities and construction challenges. It is a large and complex project. The traditional "Design, Bid, Build" low bid type process is not a good fit for this project as there are too many unknowns and too much to coordinate and sequence. Therefore at the February 9<sup>th</sup> meeting it was recommended to use the "Delivery Method" which is the Construction Manager at Risk method, or "CMAR" process. Mr. Crossman then presented a graphic showing the differences in the two construction delivery methods and described the process for each. He also explained the type of job that would fit best for the traditional DBB versus the CMAR method. He explained what the CMAR process was a much better fit for this project. The CMAR process results in a team process that takes it to 100% final design plans. He explained that early in the process a construction contractor is hired to be part of the team which provides two major benefits to the Water Company (owner). One is the having a construction manager early on in the process allows the construction contractor to give the design engineer and owner input from a construction perspective. The second benefit is

that by the time the team gets to 100% design plans, the Contractor is ready to hit the ground running because they are very familiar with the project. With this Resolution, the Board will be approving and building this CMAR team.

The first contract will be the final design and engineering contract. It is being recommended that contract go to Coe and Van Loo, which has been involved in the process since the beginning and is familiar with project and are our experts on Neighborhoods A, B and C. Coe and Van Loo was originally hired in 2018 to complete a water study and assess neighborhoods A, B & C and acquisition thereafter. Coe and Van Loo provided expert witness testimony during the arbitration through to preliminary engineering and where we are today with 30% plans. The contract amount is not to exceed \$589,329 and will take the project to 100% plans.

The second contract is for a Construction Manager at Risk, or CMAR. The Preconstruction Services Contract. Achen-Gardner Construction is the recommend CMAR. It is a two-step qualifications based process. He explained the two step process, including the submission of SOQs, of which they received 5 submittals. Those SOQs were reviewed by a panel of which two potential contractors were selected for oral interviews. From the oral interviews Achen-Gardner was chosen to be the CMAR. Their not to exceed amount is just under \$400,000. The exact amount is \$387,690. Mr. Crossman said it was important to note that the contract included several important services such as project scheduling, sequencing and phasing. He went over the benefits of these services and added that it will also include project planning, cost estimating, value engineering, constructability and early procurement. He explained why these are also important.

Council Member Hatcher asked about the water tank being located at the Boulders and asked if that would be built first along with the piping system. He also asked the difference between sequencing and phasing. Mr. Crossman responded.

There was additional discussion regarding the timeline by Board Member Geiger to which Greg responded.

Board Member Krahe made a **motion** to approve Resolution 2021-02 authorizing the Chairman of the Board of Directors to enter into a Construction Manager At Risk (CMAR) Preconstruction Services Contract with Achen-Gardner Construction, LLC and authorizing the Chairman of the Board of Directors to enter into a Final Design Services Contract with Coe and Van Loo II L.L.C. There was a **second** by Board Member Kroyer. The motion **carried** unanimously.

**ITEM #3B**    **Review, discussion and possible action to Approve Resolution 2021-02 authorizing the Chairman of the Board of Directors to enter into a Final Design Services Contract with Coe and Van Loo II L.L.C.**

This agenda item was discussed above and approved unanimously under one motion and one Resolution (2021-02) in Agenda Item #3A.

**ITEM #4**    **Adjournment**  
Approved.

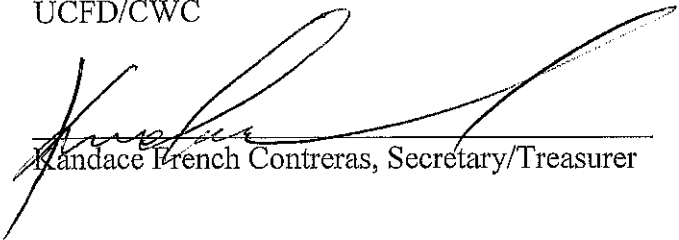
Chairman Peterson asked for a motion to adjourn.

Board Member Krahe made a **motion** to adjourn. There was a **second** by Board Member Kroyer. The motion **carried** unanimously.

DATED this 8<sup>th</sup> day of April, 2021.

Meeting adjourned at 5:01 p.m.

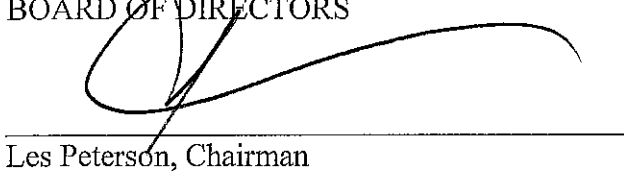
UCFD/CWC



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Kandace French Contreras, Secretary/Treasurer

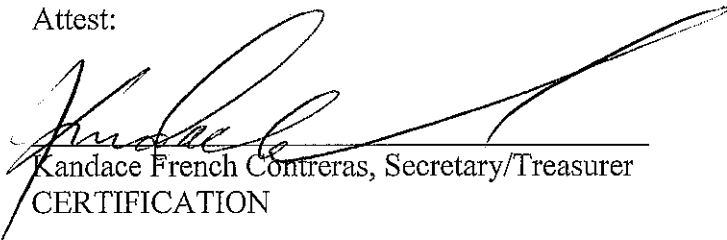
BOARD OF DIRECTORS



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Les Peterson, Chairman

Attest:

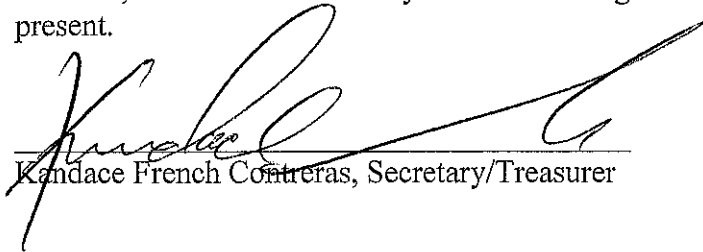


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Kandace French Contreras, Secretary/Treasurer

CERTIFICATION

I certify that the foregoing minutes are a true and correct copy of the minutes of the meeting of the Carefree Water Company/Utilities Community Facilities District Board of Directors held on March 2, 2021. I further certify that the meeting was duly called and held and that a quorum was present.



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Kandace French Contreras, Secretary/Treasurer