

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

WHEN: TUESDAY, DECEMBER 21, 2021
WHERE: ZOOM ONLINE MEETING ID: 322 972 9660*
TIME: 4:00 P.M.

CALL TO ORDER

Attending:
Chairman Les Peterson

Absent:
None

Board Members:

John Crane
Vince D'Aliesio
Tony Geiger
Stephen Hatcher
Mike Johnson
Cheryl Kroyer

Also Attending:

Greg Crossman, District Manager and Water Company General Manager; Ken Kawamoto, Achen - Gardner Construction, LLC; Brian Froelich, Achen - Gardner Construction, LLC; Gary Neiss, Carefree Town Administrator; Michael Wright, District and Water Company Attorney; Kandace French Contreras, District Clerk and Water Company Secretary.

Chairman Peterson opened the meeting at 4:00 p.m.

AGENDA

ITEM #1 Review, discussion and possible action to approve Resolution 2021-19 authorizing the Chairman of Board of Directors to enter into Construction Services Contract No. C2021-07 with Achen-Gardner Construction, LLC for Guaranteed Maximum Price (GMP) #2, Pipeline Construction associated with the Carefree Water Consolidation Project.

Greg Crossman, District Manager and Water Company General Manager presented via PowerPoint information pertaining to the guaranteed maximum price (GMP) #2, with Achen-Gardner Construction L.L.C., for the pipeline construction associated with the Carefree Water Consolidation project.

Mr. Crossman introduced Ken Kawamoto, Pre-Construction Manager and Brian Froelich, Project Manager both with Achen - Gardner Construction, LLC and Teresa Makinen, Public Outreach Coordinator and Principal with MakPro Services.

Mr Crossman provided background of the Carefree Consolidation Project displaying a map identifying the acquisition area that incorporate neighborhoods A (Southwest Carefree), B (West Carefree) and C (Northwest Carefree). These areas will be transitioned from the Cave Creek Water Company system over to the Carefree Water Company System.

District Manager Crossman listed the benefits of a single pipeline GMP:

- Allows the Construction Management at Risk, Achen-Gardner Construction L.L.C. to optimize utilization of pipeline crews.
- Allows the Utilities Community Facilities District (UCFD) to focus on high priority areas
- Guarantees timely transition of all customers in the Carefree Service Area, CSA, (Neighborhoods A, B and C)

Mr. Crossman explained Value Engineering is part of the Achen-Gardner Construction preconstruction services contract and helped to establish the best method of accomplishing project goals (transition of the entire Carefree Service Area) in the most cost-effective manner. The value engineering effort focused on pieces of the project that were most important, and either defer or delay portions of the project which weren't that critical and added cost to the project.

District Manger Crossman outlined specifics of GMP #2:

- Contractor, Construction Manager at Risk, Achen-Gardner Construction
- Cost for bulk of the work under the Carefree Consolidation project, is \$9,419,012.99
- Time to completion, 9 months from Notice to Proceed (NTP). The notice to proceed should be issued no earlier than February 01, 2022. This puts the start of construction around the February 15, 2022, timeframe.
- Neighborhood A – 3855 lineal feet (LF) of pipeline will be constructed
- Neighborhood B – 5492 LF
- Neighborhood C – 5029 LF
- Tom Darlington & Carefree Highway – 9610 LF
- Total = approximately 24,000 LF
- Additional work in 26 dispersed locations
- Important to note about GMP #2, there are no contingencies. Mr. Crossman further explained, here will be contingencies in a contingency fund that will be needed for the project. This will be held by the UCFD in a separate fund as opposed to being included in the contract.

Vice Mayor Crane questioned if contingencies come back to the UCFD Board for approval? Mr. Crossman stated he would discuss how to communicate the use of contingencies back to the Board with Chairman Peterson. Explaining, the small use of contingencies, up to a certain dollar limit, typically, don't come back to the Board. Adding, processes, procedures and notifications will have to be implemented that the Board and Chairman Peterson would like to see to communicate the use of those contingencies. Chairman Peterson agreed, let's not hamstring ourselves that construction would have to be held back as it is important that construction move smoothly and quickly.

Board Member Geiger acknowledged the team for their hard work and great job working through what have been difficult circumstances. Having a Construction Manager at Risk has really lent itself through what they have faced and will face going forward. Concluding, there is still a lot of work to be done but this is a big step forward.

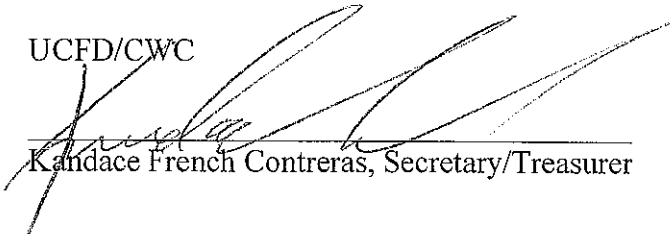
Board Member Hatcher **MOVED TO APPROVE** Resolution 2021-19 authorizing the UCFD to enter into Construction Services Contract No. C2021-07 with Achen-Gardner Construction, LLC. **SECONDED** by Board Member Kroyer. **CARRIED**, 7-0.

ITEM #2 **Adjournment.**

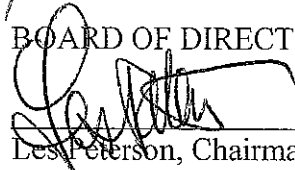
Meeting was adjourned by unanimous consent at 4:28 p.m.

DATED this 21st day of December 2021.


UCFD/CWC


Kandace French Contreras, Secretary/Treasurer

BOARD OF DIRECTORS


Les Peterson, Chairman

Attest:


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 December 21, 2021. I further certify that the meeting was duly called and held and that a quorum was present.


Kandace French Contreras, Secretary/Treasurer