

**Mission Springs Water District Board of Directors
Special Meeting (Workshop) Minutes
Monday, August 27, 2018 – 9:00 a.m.**

CALL TO ORDER: 9:00 A.M.

ROLL CALL:

Directors Present: Sewell, Bowman, Wright, Martin, Duncan

Directors Absent:

Staff Present: Wallum, McCue, Friend, Petee

Legal Counsel:

PUBLIC INPUT

No public input.

SPACE PLANNING DISCUSSION

Discussion and Direction from the Board of Directors.

Mr. Wallum opened by noting this is about space...the need for more Administrative space is crucial. The decision to build new or remodel is the decision that needs to be made today.

Space Planners, Jeff Bishop and Jamie Accetta presented. They began with a recap of the entire process. They addressed the needs of the District being additional space, revitalized and modernized work environment and customer interface, campus security, room for growth, etc.

They continued by addressing the **building remodel** pros & cons – pros, less time remodeling as well as less expensive. Cons- the unexpected, noise and disruption of staff. Less space.

Jeff & Jamie addressed **building expansion** pros & cons – pros more space and fewer disruptions, fresh space, moderately expensive. Cons – may not address function, limitations/challenges on future expansion, staff will likely have to move.

Next, they covered **new construction** pros & cons – pros, freedom of selection, brand new facility, no temp facility needed, no staff disruption, match our brand, fresh look, new. Cons, expense will be higher, schedule starting from scratch may be a longer process that remodeling or expanding.

They continued by addressing cost with relation to remodel/expanding at existing site. Remodel/Expand existing sight, space planner spoke to the cost and timeline. Total cost \$4-4.5 million and 12-month timeline (baseline 12,000 sq. feet)

They addressed new construction budget and timeline as well. Assumption 16,000 sq. feet, total estimate \$4.75 – 5.25 million, 6 months design plus 12-months construction.

There was a conversation regarding the remodel vs new construction. The space planner continued by discussing budgetary estimating and value engineering. In order to move forward the Board needs to first decide if they wish to move forward with the remodel vs new construction. Addressed the ongoing maintenance cost of our existing building if new

construction was desired. Building life cycle cost assessment of approx. \$50,000 per year. Addressed real estate value – if growth continues in DHS the need for professional/office space is essential. Right now, it's at an all-time low now. Conversation steered to bringing current building to code.

Presented design renderings, different design styles.

Presented documents on design and fielded questions from the Board. Director Bowman noted the minimal disruption associated with new construction as well as it better accommodates the future needs of the District. He also asked the direction for funds with either option.

Each Board member expressed their thoughts moving forward, Director Bowman is suggesting new construction, Director Wright suggested remodel, Vice President Martin is for new construction, Director Sewell is for new construction and President Duncan is for new construction.

Director Wright asked that with consideration of the projects at hand does finance foresee having to raise rates again in the future? Mr. McCue noted that the cost for future development including the (MSWDWVWRF) was taken into consideration with current rate hike. President Duncan summarized the general direction is to build new. Asked for the space planners to hone down on a more definitive cost.

The Board would like to proceed with the building of a new building. Next phase is the design phase of a new building. Building types, location, configuration – cost options associated. Vice President Martin stated he would like to see a list of properties that APS has designed and built.

GENERAL MANAGER'S COMMENTS

Summarized today's conversation.

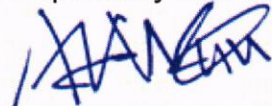
DIRECTORS' COMMENTS

Director Sewell noted he is happy with the direction we are going, Director Bowman seconded. Director Wright asked about a hot water well, located to the east of the cell tower, she noted it is currently abandoned. – asked about campus security.

Danny Friend addressed that this has been addressed and the contract is ready to be signed by the GM.

ADJOURN: 11:03 A.M.

Respectfully submitted,



Arden Wallum, District Secretary