

**GOVERNANCE COMMITTEE  
FOR THE  
MONTEREY PENINSULA WATER SUPPLY PROJECT**

California American Water • Monterey County Board of Supervisors  
Monterey Peninsula Regional Water Authority • Monterey Peninsula Water Management District

This meeting has been noticed according to the Brown Act rules. This agenda was posted on Wednesday, November 25, 2015.

**Governance  
Committee Members:**

California American  
Water

Robert MacLean  
Alt. – Rich Svindland

Monterey Peninsula  
Regional Water Authority

Jason Burnett, Chair  
Alt.- Bill Kampe

County of Monterey

David Potter  
Alt. - Simon Salinas

Monterey Peninsula  
Water Management  
District

Robert S. Brower, Sr.  
Vice Chair  
Alt. – Jeanne Byrne

**Staff Contact:**

David J. Stoldt, MPWMD  
Arlene Tavani, MPWMD

**AGENDA**

**SPECIAL MEETING**

**Monterey Peninsula Water Supply Project  
Governance Committee**

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**Tuesday, December 1, 2015, 10 AM**

Monterey Peninsula Water Management District, Conference Room,  
5 Harris Court, Building G., Monterey, CA

**Call to Order/Roll Call**

**Pledge of Allegiance**

**Public Comments**

*Anyone wishing to address the Committee on matters not listed on the agenda that are within the subject jurisdiction of the Committee, may do so during Public Comments. The public may comment on any other items listed on the agenda at the time they are considered by the Committee. Please limit your comment to 3 (three) minutes.*

**Presentations – Public Comment will be Received**

1. Progress Report from California-American Water on the Monterey Peninsula Water Supply Project Including Updates on Production from Test Slant Well; Desalination Project Design; and Design and Procurement of Conveyance Facilities

**Action Items – Public Comment will be Received**

2. Review and Develop Recommendation on California American Water Notification
- P. 3 #10 – Execution of Construction Contract for the Monterey Peninsula Water Supply Project Source Water Slant Wells  
**Action:** *The committee will review Notification #10 and make a recommendation to California American Water on execution of a contract relating to the construction of source water slant wells.*

3. Adopt Minutes of September 16, 2015 Governance Committee Meeting
- P. 19

**Discussion Items – Public Comment will be Received**

4. Suggest Items to be Placed on Future Agendas

**Adjournment**

After staff reports have been distributed, if additional documents are produced by the Governance Committee and provided to a majority of the committee members regarding any item on the agenda, they will be available at the Monterey Peninsula Water Management District (MPWMD) office during normal

business hours, and posted on the Governance Committee website at <http://www.mpwmd.net/GovernanceCommittee/GovernanceCmte.htm>.

Documents distributed at the meeting will be made available in the same manner. Upon request, a reasonable effort will be made to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. A reasonable effort will also be made to provide translation services upon request. Please submit a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service by 5:00 PM on Monday, November 30, 2015. Requests should be sent to the Board Secretary, MPWMD, P.O. Box 85, Monterey, CA, 93942. You may also fax your request to the Administrative Services Division at 831-644-9560, or call 831-658-5600.

## Monterey Peninsula Water Supply Project Governance Committee

**Meeting Date:** December 1, 2015

**Action Item:** 2. **Review and Develop Recommendation on California American Water Notification #10 – Execution of Construction Contract for the Monterey Peninsula Water Supply Project Source Water Slant Wells**

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**Summary:** Attached as Exhibit 2-A is California American Water Company Notification (CAN) #10. California American Water (Cal-Am) intends to execute a contract valued in excess of \$1 million, relating to the construction of source water slant wells. Pursuant to Section V.D, Category B.2., of the Amended and Restated Agreement to Form the Monterey Peninsula Water Supply Project Governance Committee. The committee may recommend which contractor should be retained for the Contract, and issue any recommendations concerning the terms of the final Contract. Cal-Am's recommendation is that Cal-Am enter into a Contract with Boart Longyear Company.

Attached as Exhibit 2-B is the Proposal Evaluation Report. In addition, the following related documents can be viewed at <http://www.watersupplyproject.org/#!about1/c1ufc>: (1) a copy of all responsive proposals received for the work, except for any proprietary information provided by proposers; (2) a written description of the process Cal-Am undertook to select the recommended contractor; (3) a summary of the considerations that Cal-Am deems pertinent to support its recommendation; and (4) any other information that Cal-Am believes will assist the Governance Committee in its review of the recommended Contract and contractor.

**Recommendation:** The committee should review CAN #10 and the associated documents and develop a recommendation to Cal-Am. The recommendation should be submitted in writing to Ian Crooks by December 4, 2015.

**Exhibits:**

**2-A** California American Water Company Notification #10

**2-B** Proposal Evaluation Report

**Additional attachments available for review on MPWSP website**

at <http://www.watersupplyproject.org/#!about1/c1ufc>: responsive proposals; description of Cal-Am's selection process; summary of considerations Cal-Am deems pertinent to support its recommendation; and other information that will assist the committee in its review.





**MONTEREY PENINSULA WATER SUPPLY PROJECT  
GOVERNANCE COMMITTEE**

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**CAL-AM NOTIFICATION # 10**

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**TO: Jason Burnett, Chair, MPWSP Governance Committee**  
**FROM: Ian Crooks, Engineering Manager, California American Water**  
**DATE: November 24, 2015**  
**RE: Cal-Am Notification # 10 – Execution of Construction Contract for the  
Monterey Peninsula Water Supply Project Source Water Slant Wells**

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This Cal-Am Notification is submitted to you pursuant to, and in compliance with, Section V.B. of the Amended and Restated Agreement to Form the Monterey Peninsula Water Supply Project Governance Committee (the “Agreement”), dated November 5, 2013, entered into by and among the Monterey Peninsula Regional Water Authority (“MPRWA”), the Monterey Peninsula Water Management District (“MPWMD”), the County of Monterey (“County”), and the California-American Water Company (“Cal-Am”). Capitalized terms used but not defined herein shall have the meaning set forth in the Agreement.

Cal-Am intends to execute a contract valued in excess of \$1 million, relating to the construction of the source water slant wells (the “Contract”). Pursuant to Section V.D., Category B.2., of the Agreement, the Governance Committee may recommend which contractor should be retained for the Contract, and issue any recommendations concerning the terms of the final Contract.

Cal-Am has determined these matters are ripe for presentation to, and recommendation by, the Governance Committee. Cal-Am's recommendation is that Cal-Am enter into the Contract with Boart Longyear Company. The Governance Committee may, under Category B.2: (1) recommend which contractor should be retained under the Contract; and, (2) issue any recommendations concerning the terms of the final Contract.

Cal-Am will provide the following information to the Governance Committee pursuant to Section V.D., Category B.2, by posting various documents, including Cal-Am's Proposal Evaluation Report dated November 16, 2015, on the Monterey Peninsula Water Supply

Project website by 8 a.m. on November 25, 2015: (1) a copy of all responsive proposals received for the work, except for any proprietary information provided by proposers; (2) a written description of the process Cal-Am undertook to select the recommended contractor; (3) a summary of the considerations that Cal-Am deems pertinent to support its recommendation; and (4) any other information that Cal-Am believes will assist the Governance Committee in its review of the recommended Contract and contractor. This information can be accessed at [www.watersupplyproject.org](http://www.watersupplyproject.org) in the Documents/Procurement section.

Pursuant to Section V.B. of the Agreement, the Governance Committee shall issue its recommendations, if any, to Cal-Am within ten (10) calendar days following receipt of this Cal-Am Notification. The recommendations should be in writing and sent to Ian Crooks of Cal-Am at [ian.crooks@amwater.com](mailto:ian.crooks@amwater.com).



## PROPOSAL EVALUATION REPORT

Monterey Peninsula Water Supply Project  
Request for Proposals  
for the  
Construction of Source Water Slant Wells

November 16, 2015

## I. Executive Summary

This report summarizes the evaluation of Proposals received by California American Water in response to the Monterey Peninsula Water Supply Project Request for Proposals for the Construction of Source Water Slant Wells dated September 24, 2015 as amended (“RFP”) and the resulting selection of the most advantageous/preferred Proposer. Proposals were submitted in response to the RFP on November 6, 2015 by the following firms (listed alphabetically):

<b>Company Name</b>
<b>Boart Longyear Company (“Boart”)</b>
<b>Holt Services, Inc. (“Holt”)</b>
<b>Layne Christensen Company (“Layne”)</b>

While all three Proposers are qualified and submitted responsive Proposals, the Proposal submitted by Boart was determined to be the most advantageous Proposal submitted. This determination was based upon several factors as described in more detail in this report; however, the primary factors favoring Boart are its significant cost effectiveness, exceptional acceptance of the terms and conditions of the draft Contract, and a strong overall technical Proposal.

## II. Evaluation Process

A Selection Committee was established by California American Water to evaluate the Proposals and select the most advantageous Proposer(s) based upon the criteria detailed in Section 5 of the RFP. The Selection Committee consists of the following California American Water employees:

- *Deana Donohue, Vice President, Engineering*
- *Jeff Dana, Vice President, Finance & Treasurer*
- *Lori Girard, Corporate Counsel*
- *Ian Crooks, Engineering Manager*
- *Chris Cook, Assistant Engineering Manager*

The Selection Committee has individually reviewed the Proposals; identified and discussed advantageous and non-advantageous elements of each Proposal; identified areas where clarification was needed; and reviewed, discussed, and evaluated the clarified Proposals, based upon the criteria and weighting included in the RFP. The evaluation categories are described in Attachment 1, and a breakdown of the overall weighting for each criterion and subcriterion is listed below.

<b>CATEGORY</b>	<b>WEIGHTING</b>
<b>TECHNICAL CRITERIA</b>	<b>40 points</b>
Project Delivery (including WMDVBE and Local Resources Utilization), Construction Management, Experience, and Schedule	35
Safety	5
<b>BUSINESS AND FINANCIAL CRITERIA</b>	<b>60 points</b>
Cost Effectiveness of Proposal	40
Business Terms and Conditions	10
Proposer Financial Qualifications	10



The Selection Committee scored each category based on the points allocated to that category as set forth in the RFP. The highest possible points were assigned to the best Proposal in each category. The remaining Proposals in each category were then scored based upon the relative value of each Proposal as compared to the best Proposal (e.g. the difference between the best and second best may be minimal while the difference between the second best and the third best may be substantial). The Selection Committee has applied this rationale to the scoring of the quantifiable evaluation categories (i.e. cost effectiveness of Proposals) as well as the other not-so-readily quantifiable evaluation categories. Applying the same scoring methodology for each evaluation category ensures that the relative value of a point in each category is the same and that each category actually receives the weighting intended.

The Selection Committee then ranked the total points for each category on a scale of 1 to 3, with 1 being the highest total points and 3 being the lowest total points among all Proposers. If more than one Proposer received the same score, for example, 2 Proposers received the same highest total points for Project Delivery, each of those Proposers received a 1 and the remaining Proposer received a 3.

### **III. Proposal Evaluation and Scoring**

As summarized below, the final total scores for each Proposer are as follows:

1. Boart	97
2. Holt	79
3. Layne	55

The rankings for each category are set forth in Attachment 2.

#### **1. Technical Criteria (40 Points)**

Technical Criteria counted for 40 points of the total Proposer Score. As summarized below and after careful consideration, Boart received the highest score in this category, followed by Holt and then Layne.

##### **A. Project Delivery, Construction Management, Experience and Schedule (35 Points)**

Boart scored highest in this category based on its overall Project approach and experience but all Proposers are qualified to construct the Project. Each Proposer demonstrated a good understanding of the Project, constraints and schedule. Each proposed a slightly different approach to the Project.

Holt indicated it is a federally registered women owned business which will help California American Water meet its WMDVBE goals. Boart's Proposal included two WMDVBE subcontractors and Boart expects to be able to achieve 20% to 30% local resource utilization. Layne indicated it elected not to pursue the WMDVBE or local resources utilization goals.

##### **B. Safety (5 Points)**

Boart had the highest scores for safety based on workers compensation rating (EMR) and number of OSHA recordable incidents (ORIR). For the previous three

years period, Boart's ratings for EMR were 0.60, 0.64 and 0.49 and for ORIR were 2.19, 1.97 and 2.68. Holt's ratings for EMR were 0.82, 0.85 and 0.81, and for ORIR were 3.2, 3.9 and 0. Layne did not provide the requested information.

## **2. Business and Financial Criteria (60 Points)**

The Business and Financial Criteria counted for 60 points of the Proposer's total score. As summarized below and after careful consideration, Boart received the highest score in two out of the three subcriterion.

### **A. Cost Effectiveness of Proposal (40 Points)**

Boart scored the highest in this category for having the lowest cost followed by Holt and Layne who submitted the highest cost proposal. Boart's Proposal also had the most favorable cost structure in terms of pre-construction costs because it reduced expenditures prior to issuance of the Notice to Proceed. Further, Boart's Proposal offered opportunities to explore further reductions in overall costs.

Holt's Proposal would require California American Water to incur significantly higher pre-construction costs than Boart's Proposal. Layne's Proposal was significantly higher than both Boart's and Holt's. A comparison of the cost effectiveness of the Proposals is set forth in Attachment 3.

### **B. Business Terms and Conditions (10 Points)**

This criterion addresses the material advantages and disadvantages of each Proposer's markup to the draft Contract, including the extent to which the Proposer accepted the terms and conditions set forth in the draft Contract or proposed less favorable terms and conditions. It should be noted that the pricing of Proposals is based on the draft Contract as modified by the Proposer. Therefore, it is reasonable to anticipate that if California American Water were to require a Proposer to accept a material risk that it has taken exception to in its markup, the Proposer could require an increase in its pricing to accept such risk.

Boart took limited exceptions to the draft Contract (the draft Contract includes the draft Agreement and the draft General Conditions). Boart took no exceptions to the draft Agreement and took few exceptions to the draft General Conditions. In response to a request for clarification, Boart confirmed that it proposes to revise the draft General Conditions using the modifications agreed upon for the test well contract, with the exception of the limitation of liability as described below.

In summary, the modifications proposed by Boart include:

- Neither party will be liable to the other for any consequential, punitive, or similar damages.
- As between California American Water and Boart, Boart's aggregate liability under the Contract for performance or unexcused non-performance of the Work will be limited to 100% of the Contract Price instead of 125%.

- Boart will be authorized to suspend the Work if an unsafe condition exists at the Site, and may seek a corresponding extension of the Contract Times under certain circumstances.

Holt similarly took limited exceptions to the draft Contract. Specifically, Holt took the following material exceptions to the draft Agreement and the draft General Conditions:

- Limited its liability for liquidated damages for delay to \$1 million.
- Deleted the limit of \$500,000 for payment of Bid Item 101 prior to issuance of Notice to Proceed.

In contrast, Layne took multiple exceptions to the draft Contract. It should be noted that Layne's exceptions were to the draft Agreement and draft General Conditions issued with the RFP and not to the draft Agreement and draft General Conditions issued with Addendum No. 1 to the RFP. Layne's material exceptions include:

- Reducing liquidated damages for delay from \$10,000/day to \$2,500/day and limiting its liability for liquidated damages to 15% of the value of the contract.
- Limiting retainage to 5% and requiring payment of withheld retainage for wells that are "satisfactorily completed."
- Qualifying its ability to include California American Water as an additional insured on Layne's pollution liability policy.
- Requiring California American Water to pay the deductible for a builder's risk claim by Layne under American Water's builder's risk policy.
- Limiting California American Water's remedies for Layne's breach of contract.
- Excluding Layne's liability for any consequential, punitive, or similar damages.
- Disclaiming warranties, including implied warranties of merchantability and fitness for a particular purpose.
- Limiting its liability to California American Water for performance or nonperformance under the Agreement to the Contract Price.

Although both Boart and Holt took few exceptions to the draft Contract, Boart scored slightly higher on this criterion. Most significantly, Boart proposed limiting its liability to California American Water for certain damages to 100% of the Contract Price. On the other hand, Holt proposed limiting its liability for liquidated damages for delay to \$1 million (i.e., after 100 days Boart would no longer incur any liability for delay). In addition, Holt proposed that California American Water assume \$866,250 of risk by deleting the limit on payment for Bid Item 101 (drilling rig modifications) prior to issuance of the Notice to Proceed. In contrast,

Boart proposed \$183,500 for Bid Item 101, effectively lowering the risk to California American Water.

Ultimately, Layne scored lowest in this criterion due to the extent and nature of its exceptions. Layne's modifications to the delay liquidated damages, limitation of remedies for breach of contract, insurance-related exceptions, and disclaimer of warranties negatively distinguish Layne's markup.

**C. Proposer Financial Qualifications (10 Points)**

Layne received the highest score in this category based on liquidity measures, net assets, recent performance, and relative size. Boart was rated second-best overall based on the above metrics. Holt had the lowest score based on its relative size as compared to the other two Proposers.

**IV. Conclusion**

After careful evaluation of the Proposals based upon the evaluation criteria and weighting set forth in the RFP, the Selection Committee has determined that Boart has submitted the most advantageous Proposal. As such, California American Water will commence negotiations with Boart as the most advantageous/preferred Proposer.

**ATTACHMENTS**

Attachment 1 - Description of Evaluation Categories

Attachment 2 - General Rankings

Attachment 3 – Cost Effectiveness of Proposals

## **Attachment 1 - Description of Evaluation Categories**

### ***Technical Criteria Evaluation Categories:***

*Project Delivery, Construction Management, Experience and Schedule* – This category was evaluated based on the following:

- Proposer Project Team
- Project Delivery Approach
- Construction Experience
- Experience with similar projects
- Local Project Experience
- WMDVBE Utilization & Local Resources Utilization Plans
- Prevailing Wage and Other Labor Performance Requirements
- Proposed Schedule Meets Requirements
- Procurement and Supply Chain Plan
- Level of Analysis for Schedules
- Development and Commissioning Approach

This category was evaluated based on evidence that the firm has completed (or demonstrated that the firm has the capability to complete) projects of similar size, scope and complexity to the proposed project. This category also includes the organizational chart, demonstrating the proposed participants in the Proposer's team. The organizational chart was reviewed for its clarity in identifying the key teams and key personnel, and in describing the roles and relationships between the team members during construction and commissioning. This category reviews the portfolios of past project profiles for that show the Proposer's experience with similar projects in scope, budget, and schedule. Review of the firms due diligence and preparation of their proposed project schedule and detailed understanding and ability to execute this project on schedule. In addition, this category included WMDVBE & Local Resources Utilization Plans, prevailing water and other labor performance requirements, and local firm hire experience.

*Safety Record* – This category was evaluated based on the following:

- Safety Rating and History

This category includes the Proposer's past safety record, recognition and demonstration of the Proposer's safety program, identification of key personnel who will be assigned to this project and who will contribute a significant effort in ensuring the safety of the workers and job site(s).

### ***Business and Financial Criteria Evaluation Categories:***

*Cost Effectiveness* – This category evaluates the proposal costs for each of the project bid schedules.

*Business Terms and Conditions* – This category evaluates the extent to which the Proposer accepts the terms and conditions set forth in the draft Contract included with this RFP or otherwise proposes terms and conditions that are more favorable to California American Water than the terms and conditions set forth in the draft Contract.

*Proposer Financial Qualifications* - This category includes the evaluation of the Proposer's submitted financial information that establishes that the Proposer has the financial strength to perform the work under the Project. Financial items considered, but not limited to, are revenues, income, balance sheet, credit ratings, bonding capacity, and line of credit. This category includes the evaluation of the Proposer's submitted financial security information showing that Proposer has ability to obtain all required payment and performance bonding as required in the RFP.

**Attachment 2 - General Rankings**

CATEGORY	Boart	Holt	Layne
<b>TECHNICAL CRITERIA (40 pts)</b>	<b>1</b>	<b>2</b>	<b>3</b>
Project Delivery (including WMDVBE and Local Resources Utilization), Construction Management, Experience, and Schedule (35 pts)	1	2	3
Schedule (5 pts)	1	2	3
<b>BUSINESS AND FINANCIAL CRITERIA (60 pts)</b>	<b>1</b>	<b>2</b>	<b>2</b>
Cost Effectiveness of Proposal (40 pts)	1	2	3
Business Terms and Conditions (10 pts)	1	2	3
Proposer Financial Qualifications (10 pts)	2	3	1
<b>OVERALL RANKING</b>	<b>1</b>	<b>2</b>	<b>3</b>



**Attachment 3 – Cost Effectiveness of Proposals**

## Proposal Costs

	Boart	Holt	Layne
7 Slant Wells	19,424,352	24,056,406*	34,614,832
9 Slant Wells	24,746,427	29,213,148*	42,117,562

\* includes Holt's submitted costs for SS material which was not included in their base bid



**Monterey Peninsula Water Supply Project Governance Committee****Meeting Date:** December 1, 2015**Action Item:** 3. **Adopt Minutes of September 16, 2015 Governance Committee Meeting**

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**Summary:** Attached as Exhibit 3-A are draft minutes of the September 16, 2015 Governance committee meeting.**Recommendation:** Review the minutes and consider approval.**Exhibits:****3-A** Draft Minutes of September 16, 2015 Committee Meeting



**GOVERNANCE COMMITTEE  
FOR THE  
MONTEREY PENINSULA WATER SUPPLY PROJECT**

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California American Water • Monterey County Board of Supervisors  
Monterey Peninsula Regional Water Authority • Monterey Peninsula Water Management District

**EXHIBIT 3-A  
DRAFT MINUTES  
Regular Meeting  
Governance Committee  
for the  
Monterey Peninsula Water Supply Project  
*September 16, 2015***

**Call to Order:** The meeting was called to order at 2:05 pm in the conference room of the Monterey Peninsula Water Management District offices.

**Members Present:** Jeanne Byrne, representative for Monterey Peninsula Water Management District (alternate to Robert S. Brower, Sr.)  
Bill Kampe, representative for Monterey Peninsula Regional Water Authority (alternate to Jason Burnett)  
Robert MacLean, representative for California-American Water

**Members Absent:** David Potter, Monterey County Board of Supervisors  
Robert S. Brower, Sr., Monterey Peninsula Water Management District  
Jason Burnett, Monterey Peninsula Regional Water Authority

**Pledge of Allegiance:** The assembly recited the Pledge of Allegiance.

**Public Comments:** No comments presented to the committee.

**Presentations**

**1. Progress Report from California-American Water on the Monterey Peninsula Water Supply Project Including Updates on Production from Test Slant Well; Desalination Project Design; and Design and Procurement of Conveyance Facilities**

Ian Crooks, Engineering Manager, California-American Water (Cal-Am), presented the progress report. A summary of his presentation is on file at the Water Management District office and can be viewed on the Governance Committee web site. He reported the following. The California Coastal Commission (CCC) will conduct a hearing on the amended application for slant test wells on October 7 through 9, 2015 in Long Beach. The California Public Utilities Commission (CPUC) issued a Notice of Preparation for a joint CEQA/NEPA analysis of the Monterey Peninsula Water Supply Project (MPWSP) to be prepared by the CPUC and the Monterey Bay National Marine Sanctuary (MBNMS). Preparation of the NEPA analysis will not change the project schedule. The draft EIR/EIS document should be released in March or April 2016. The CPUC decision on the water supply project is expected in September or October 2016. In response to questions from the committee members, Crooks stated that he believes the CCC is giving positive consideration to the amended application. He noted that well maintenance activities will be undertaken in October, while the test slant well is out of

operation. MacLean stated that the National Oceanic and Atmospheric Administration waited until after the draft EIR was released before it determined that MBNMS should prepare the EIS. The CPUC has determined that development of a joint EIR/EIS document will be faster than preparation of two separate documents.

#### **Action Items**

**2. Review California American Water Notification (CAN) #9 – Draft Request for Proposals (RFP) and Draft Construction Contract Monterey Peninsula Water Supply Project Source Water Slant Wells – Develop a Recommendation to California American Water Concerning the RFP and Contract**

Crooks presented the item. He stated that comments received from the Governance Committee on previous requests for proposals and contracts have been incorporated into the draft documents presented with CAN #9. He explained that it is important to identify a contractor according to the schedule due to all the planning that must be completed before Cal-Am has received authorization from the CPUC to begin construction. The ratepayers have limited exposure to pre-construction costs, as the contract is limited to \$40,000 for planning activities – not construction. For example, the \$40,000 covers meetings with Cal-Am before construction begins, but any tooling or construction costs prior to issuance of the notice to proceed would be borne by the contractor. MacLean noted that the contract may be modified after committee review, but it would be brought before the Governance Committee for review before it is awarded to a contractor.

Public Comment: Jim Cullem, Executive Director, Monterey Peninsula Regional Water Authority (MPRWA), requested that the Governance Committee remand its recommendation on the Draft RFP and Contract to the MPRWA Technical Advisory Committee for review and comment. If the MPRWA TAC disagreed with the Governance Committee recommendation or identified additional considerations that should be incorporated into the RFP or Contract, they could be presented to the MPRWA Board in October and then brought back before the Governance Committee for consideration. Cullem requested that this project be LEED certified or LEED like, as was specified in the design/build contract. He recommended that Envision, a sustainable infrastructure rating system, could be used to evaluate the source well project so that it could be recognized for sustainability. Cullem stated that a sustainable advantage might be that slant well technology will be utilized; or that the discharge line is to be co-located; or there could be design and maintenance considerations. He noted that there are experts who could identify the opportunities for sustainability, and that planning for sustainability must begin early in the process.

Byrne stated that she did not support LEED Certification due to the high cost of paperwork associated with certification, but she did support LEED-like project components. Kampe stated that sustainability is a good quest, but the challenge is to be sure there is a payoff. The benefit must be quantifiable, such as cost savings over the long term. It must be clear how the project is improved as a result of sustainable factors. MacLean stated that Cal Am should consider the comments re sustainability and the Envision methodology, and decide if it makes sense to incorporate this into the RFP and contract. The RFP and contract would not be delayed by sending the CAN #9 to the MPRWA TAC, because the draft documents are subject to change before they are finalized. The Governance Committee will review the documents before they are final, likely in December 2015.

Kampe offered a motion to approve the draft RFP as presented noting that the MPRWA TAC will review the documents and provide comments at the next meeting. Further, there should be consideration of sustainable aspects that can improve life-cycle costs or other factors according to some well recognized criteria. The motion was seconded by Byrne and approved on a unanimous vote of 2 – 0 by Kampe and Byrne.

**3. Adopt Minutes of August 26, 2015 Governance Committee Meeting**

On a motion by Kampe and second of Byrne, the minutes were accepted with one correction. On page 5 of the minutes, the first sentence under the heading Suggest Items to be Placed on Future Agendas, delete the reference to “October 16” and replace it with “September 16”. The motion was approved on a vote of 2 – 0 by Kampe and Byrne.

**Discussion Items**

**5. Suggest Items to be Placed on Future Agendas**

October – if the MPRWA TAC identifies a critical issue related to the RFP and Contract on Source Water Slant Wells, the item could be brought to the committee again in October.

December – 2 items - results of the RFP on Source Water Slant Wells and also procurement of pipelines.

**Adjournment:** The meeting was adjourned at 2:30 pm.

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Arlene M. Tavani,  
Clerk to the MPWSP Governance Committee