

**NAVAJO-GALLUP WATER SUPPLY PROJECT
PROJECT CONSTRUCTION COMMITTEE MEETING NO. 29
THURSDAY, AUGUST 28, 2014 9:00 AM – JICARILLA APACHE NATION ADMIN BLDG
#25 HAWKS DRIVE – DULCE, NEW MEXICO
FINAL MEETING SUMMARY**

- 1) Review and approve agenda (Pat Page)
- 2) Review and approve May 13, 2014 PCC Meeting Summary *Handout* (Page) – Approved with no revisions.
- 3) Review of PCC Action Item List – *Handout* (Page) – See revised Action Item List dated Sept. 4, 2014 on SharePoint for updates.
- 4) Review Agreements Status
 - a. Prepayment MOUs – MOU’s have been executed and meetings to be scheduled soon to plan for construction forecasts and Participant billings.
 - b. OM&R MOU on Joint Use of NIIP Facilities (BIA/Navajo Nation) – NAPI and NTUA have executed the MOU. Reclamation plans to sign in September 2014, then on to BIA for execution.
 - c. Deferred Construction – Solicitor is moving forward using authorization in PL 111-11. Hope to have a revised draft in October. This is for NNMP of ALP but will serve as basis for NGWSP deferred construction MOU.
- 5) Conjunctive Groundwater Use Plan (BIA/Navajo Nation) – Meetings are being held monthly to discuss the ground water use issues. The BIA is currently working on the IA’s for IHS. The Conjunctive Groundwater Priority list dated April 4, 2014 was distributed. The Navajo Nation is currently working on funding sources for the priority locations.

CONSTRUCTION UPDATE

- 6) Reach 12A (Reclamation) – Overview of the Reach 12A construction status was presented and is available on SharePoint.
- 7) Tohlakai Pumping Plant (Reclamation) – Overview of the Tohlakai Pumping Plant construction status was presented and is available on SharePoint. Construction has commenced with the rough excavation. There are two potential modifications pending with the first related to a cultural discovery and the second involving the addition of a valve. There is a VE proposal for a concrete tank. Reclamation will share VE proposals with the PCC when substantive changes are involved. This particular VE proposal is consistent with the PIN on Tank Materials.
- 8) Reach 27.5 (Gallup) – Overview of the Reach 27.5 construction was presented by the City of Gallup and is available on SharePoint. Construction is nearing completion.
- 9) Reach 13 (Gallup) Overview of the Reach 13 construction was presented by the City of Gallup and is available on SharePoint. The contract amount of \$5,143,00 does not include an additional approximate \$1 million in proposed SCADA construction. Construction is just starting.

SAN JUAN LATERAL- ISSUES / DESIGN UPDATE

- 10) San Juan Lateral
 - a. Connection Plans - PER FAA with Navajo Nation / Feasibility IA with IHS – IA are being developed with the goal to award by the end of the first quarter FY15. Reclamation has requested from the Navajo Nation a timeline for the connection plan implementation.
 - b. Pumping Plant Feasibility Study – *Handout* – A focus call will be scheduled in the near future. FCCO has received the draft study from TSC and the draft is currently under review.
 - c. Grouping Tanks into Single Procurement Concept – Will investigate savings considerations after the working cost estimate is completed. Action deferred.

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- 11) San Juan Lateral Intake Structure
 - a. Appraisal-level design update - *Handout – study/estimate* – Currently under review and expect draft version to be transmitted to PCC mid to late September 2014.
 - b. Environmental Compliance (NEPA/ESA/404(b)1 Analysis) – Waiting for progress/completion of the 402/404 permitting to commence design data collection.

- 12) Reach 12B
 - a. Update on ROW - The negotiating process for land acquisition with the private land owner is ongoing.
 - b. Procurement Schedule – Specifications are complete. Will proceed with procurement once right of way has been acquired. Tentative schedule is spring 2015.

- 13) Reach 12.1
 - a. VE – scheduled for week of 9/22/2014 - Now scheduled for October 6, 2014 in Gallup.
 - b. Procurement Schedule – Goal to award by end of FY15.

- 14) Reaches 2-11
 - a. Block Concept – Naming Convention / Reach Definition – Drawings were distributed and explained as well as the need to redefine the cost allocation model.
 - b. PIN 031 -- Re-Prioritizing of Construction Sequencing and Grouping of Multiple Reaches per Contract – *Handout* – Approved and signed.

- 15) Reach 27 (City of Gallup) – The 90% design drawings for Reach 27.6 were sent to Reclamation on August 27, 2014. Reaches 27.7A and 27.13 are the next projects under design. Reach 27.6 Cultural Resource Clearance is being completed.

- 16) Reach 14 Update (Indian Health Service) – Reach 14.1 and 14.2 design is nearing completion and is on schedule with a planned May 2015 construction start. Further discussion on the wash crossings plan and how this impacts the EA are underway.
 - a. New Design and Construction IA for Reach 14.3a, 14.6a, 14.7a, 14.8a – The draft IA is under review by IHS.
 - b. PIN 014.1 – Amended to include Reaches 14.3a, 14.6a, 14.7a, 17.8a - *Handout* – Comments due back to Reclamation by September 12, 2014.

CUTTER LATERAL – ISSUES / DESIGN UPDATE

- 17) Reach 22
 - a. Reach 22A Procurement Schedule – Bid/award planned for the second quarter FY15.
 - b. PIN 029 Reach 22A 60% Design – *Handout* – Approved and signed.
 - c. PIN 030 -- NAPI Turnout Request – *Handout* – Reclamation is reviewing issues and will schedule a focus call.
 - d. PIN 027 – Cutter Lateral Turnout Flows – *Handout* – On hold till PIN 030 is fully developed.

- 18) Reaches 24.1, 25 & 26 Update (Navajo Nation) – Bids were opened with NECA being the apparent low bidder. There were two tank design options with the bids for the options being very close. NTUA is reviewing which of the two tank design options to proceed with.

WATER TREATMENT

- 19) Regulatory Issues
 - a. Regulatory Meetings – Treated vs Finished Discussion – Discussion of topics from the last meeting with details of topics posted on SharePoint. A focus call to discuss treatment issues will be scheduled.

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- 20) San Juan Lateral Water Treatment Plant
 - a. Disinfection Strategy
 - i. Decision Matrix – Handout – Report was reviewed and posted on SharePoint. Next steps involve the completion of cost estimates including capital expenditures and O & M costs. PCC would like a more quantitative comparison.
 - b. Water Quality Monitoring Update – No new data. When data is received it will be discussed in the design calls.
- 21) Cutter Water Treatment Plant
 - a. Bench Scale Update: - Discussed in the last design call. Sampling is underway.

PROJECT WIDE

- 22) Sponsor Involvement on Acquisition Method Decision Process (Reclamation - Durrant) – James Durrant gave an overview of the Reclamation procurement process. Key points are as follows: The procurement method chosen is made on a case by case basis. Some of the factors considered are the laws governing procurement, the complexity of the project, adequacy of the design and the various issues or requirements for each project

The general requirement for procurement is the “best value” approach. The lowest price that is technically acceptable is the norm for federal construction projects and considered the best value. Sealed bids are considered a less value option and is less frequently used in federal procurements. Sealed bids are considered more appropriate for projects with very low levels of complexity and very robust design. The Project Participants expressed concern that the “best value” concept may be in conflict with the project’s budget constraints especially if cost is not a highly-weighted factor.

Reclamation will brief the Project Participants prior to the selection of the procurement method for the Reach 22A construction which is the next project slated for procurement. Project Participants would like to have more involvement in the procurement process. The difficulties with non-federal participants was explained. Reclamation procurement folks expressed a willingness to set up a process to educate potential contractors in the federal procurement process. The Project Participants expressed concern about the federal procurement proposal advertisement methods and ask additional emphasis be placed upon getting the information to prospective bidders.

- 23) Identification of Design Issues to Consider for Issue-Specific Design Focus Calls (PCC)
 - a. List of Focus Calls – *Handout* – Reviewed status of calls since last PCC meeting with details on SharePoint.
- 24) Cultural Resources Compliance – Project-Wide
 - a. Programmatic Agreement update – Request for signatures on the update has been distributed and is awaiting concurrence. It was pointed out that a request to change the width of the APE can be considered with proper justification.
 - b. Status of Class III surveys – Field work has been completed on all reaches that have a defined alignment. Preliminary reports have been received. The preliminary reports are being used to allow geology to commence. Final review of the Reach 22 report is underway. Final ethnographic surveys to commence soon.
- 25) Environmental Compliance – Project-Wide – Reach 22 draft of the final EA has been received from the contractor. A meeting to discuss the draft has been scheduled with the BLM for September 3, 2014. Reach 12.1/12.2 NEPA sufficiency review has been completed. The Reach 24.1 and 25 EA is under public comment. Reach 14.1 and 14.2 draft EA is being finalized.
- 26) Design Criteria
 - a. Pipeline Regulatory Considerations - *Handout* – New information since the last meeting was discussed. A design call will be set up for further discussion.

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- b. Spare Pump PIN – *Handout* – Approved and signed.
 - c. Storage (Design/Constructed/Deferred) PIN – PIN is being drafted.
 - d. Cost Savings Summit – *Handout* – Cost savings issues were discussed and further comment requested if needed.
- 27) Working Cost Estimate Update – Work is underway with a scheduled completion by TSC in December 2014. WCE will be transmitted to PCC following internal review by Reclamation.
- 28) Budget / Project Costs Discussion (Longwell)
- a. FY2015 President’s Request – Has been through Senate and is in House committee.
 - b. NM Cost-Share Update/Status – Reclamation review of Reach 27.1 and 27.3 has been completed. Request for minor revisions/additional data will be sent by September 5, 2014.
- 29) Schedule Update
- a. Short Term Schedule – Project schedule revision is underway.
- 30) Power Transmission (Longwell/Page) – There have been two meetings with the potential power providers since the last PCC meeting. A proposal was received from the NTUA. WAPA is reviewing the proposal. The next meeting is scheduled for September 24, 2014.
- 31) Information Sharing / Public Outreach – Page – Meetings are continuing to be held with the Navajo Nation chapters. Reclamation will have a booth again this year at the Navajo Nation fair in Window Rock. FAQ brochures have been updated.
- 32) Federal Infrastructure Projects Dashboard Update (Page/Abel) – Current action is underway and on schedule. Work is underway for future dashboard actions.
- 33) “Outside the ROW” – The Human Element of NGWSP – A survey of job creation related to the NGWSP was conducted. It was found as of August 2014 there are 493 jobs created due to the project. The EIS had forecast job creation of 600-650 direct and indirect jobs for the entire project duration. It is noted that roughly 75% of the jobs created by contracts awarded by Reclamation were filled by Navajo workers.
- 34) Action items and assignments – Page – See SharePoint.
- 35) Schedule next PCC meeting – November 13, 2014 in Gallup.