

1 ALASKA WATER AND SEWER CHALLENGE  
2 ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

3  
4 PRE-PROPOSAL CONFERENCE  
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7  
8 September 17, 2013  
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10 Anchorage, Alaska  
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13  
14 Present:

15  
16 Chris Allard  
17 Tim Allen  
18 David Arehart  
19 Kilby Baron  
20 Clement Cid (telephonic)  
21 Dave Coolidge  
22 David Cooper  
23 Ryan Cornutt (telephonic)  
24 Victor D'Amato (telephonic)  
25 Jennifer Dobson (telephonic)  
26 Aaron Dotson  
27 Alf Durnie (telephonic)  
28 Paul Gabbert  
29 Bill Griffith  
30 Anastasia Hanan (telephonic)  
31 Tim Hoffman  
32 Kate Johnson  
33 Cindee Karns (telephonic)  
34 Jonathan Kamler (telephonic)  
35 Jannette Keiser  
36 Sean Lee  
37 Brian Lefferts (telephonic)  
38 Sonja Love-Hestnes  
39 Justin Marcum  
40 Molly Mylius  
41 Chase Nelson  
42 Deborah Pock  
43 Caitlin Rodriguez

1                                    Art Ronimus  
2                                    Simone Sebalo (telephonic)  
3                                    Jacqueline Shirley  
4                                    Mark Spafford  
5                                    Tracy Svanda  
6                                    Tim Thomas  
7                                    Bob Tsigonis  
8                                    Tom Varney  
9                                    David Wilson  
10                                   Bob White (telephonic)  
11                                   Bob Wright  
12

P R O C E E D I N G S

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(On record at 9:01 a.m.)

MS. LOVE-HESTNES: Good morning everyone, and welcome. We're going to go ahead and get started. Thank you for your interest in the Alaska Water and Sewer Challenge. My name is Sonja Love-Hestnes, I am the procurement officer for the RFP. Please, as courtesy, turn off your cell phones or mute. For those folks who are on the line, please do not put your call on hold. A few housekeeping issues, the facilities are right outside the doors. If there is a fire alarm, we will exit and try to reconvene afterwards or reschedule. If there is phone issue, we will continue on with the meeting. To introduce the folks at the front table, we have Tim Hoffman, Bill Griffith, Deb Pock, transcriber is Natalia -- Natalie, excuse me, and our tech folks, Kevin in the back. We'll try to have a brief break somewhere around the 10:30, 11 o'clock hour. If you need to, come and go as you need. This is a public meeting and will be transcribed and posted online along with the finalized questions that are compiled today and today's discussion. We anticipate to answer some of the questions today, some we will not be able to answer probably without further research. If you leave today with a question unanswered, please email me no later than close of business tomorrow, September 18<sup>th</sup>. All questions and answers and the transcription will be available online as soon as possible, estimate seven to ten days.

1           If you're registered with the -- with me, for the RFP,  
2 I'll provide that notification as soon as available. Just for  
3 clarification, the Alaska On-Line Public Notice is on the  
4 procurement information site. If you haven't registered for the  
5 RFP, there is an attachment. Please register and I will notify  
6 you of any amendments or addendums.

7           The Division of Water has a couple of hyperlinks that are  
8 on the body of notice. One is the survey monkey, this is to  
9 provide your information to others who want to join a team.  
10 There's also the survey monkey spreadsheet, which is updated  
11 weekly that provides that information. There is also a  
12 hyperlink for email notifications for updates on the project.  
13 These are not any way related to the RFP as far as registration.

14           Okay, now we need to do a role call, starting within the  
15 room please, and we'll just go around. If you just State your  
16 name, speak loudly, and your organization or team.

17           MR. BARON: All right. Tilby Baron, Cowater Alaska.

18           MR. ALLEN: Tim Allen, Cowater Alaska.

19           MR. LEE: Sean Lee, VSW.

20           MR. AREHART: Dave Arehart, DEC Engineering.

21           MR. GABBERT: Paul Gabbert, an Independent (Indiscernible  
22 - away from microphone).

23           MR. RONIMUS: Art Ronimus, I'm retired (Indiscernible -  
24 away from microphone).

25           MS. MYLIUS: Molly Mylius, Agnew Beck.

1 MS. SHIRLEY: I'm Jacqueline Shirley, Zender  
2 Environmental.

3 MR. SPAFFORD: Mark Spafford with the Denali Commission.

4 MR. MARCUM: Justin Marcum, HDR Engineering.

5 MR. COOLIDGE: Dave Coolidge, Larsen Consulting Group.

6 MR. WRIGHT: Bob Wright, Larsen Consulting Group.

7 MR. WILSON: Dave Wilson, Oceanic Environmental.

8 MR. Thomas: Tim Thomas, Division of Community Health  
9 Services, ANTHC.

10 MS. KEISER: Jan Keiser, ILF Consultants, Inc.

11 MR. COOPER: David Cooper, Summit Consulting Services.

12 MR. ALLARD: Chris Allard, Summit Consulting.

13 MS. JOHNSON: Kate Johnson. I'm with ERM.

14 MR. NELSON: Chase Nelson with DOWL HKM.

15 MR. TSIGONIS: Bob Tsigonis, Lifewater Engineering  
16 Company.

17 MR. VARNEY: Tom Varney, Anchorage Tank.

18 MS. LOVE-HESTNES: Thank you, for those on the line, we'll  
19 start with those that are within Alaska per region. Northern  
20 region? Western region? Southern region? Interior?

21 UNIDENTIFIED FEMALE: (Indiscernible - telephonic speech).

22 MS. LOVE-HESTNES: Can you speak up please?

23 MR. LEFFERTS: I'll start. This is Brian Lefferts, with  
24 Yukon-Kuskokwim Health Corporation. Also we have here Jennifer  
25 Dobson and Bob White. I didn't speak up fast enough then you

1 went through our region.

2 MR. KAMLER: Jonathan Kamler, with the University of  
3 Alaska Fairbanks, but I'm physically located in Juneau.

4 MS. LOVE-HESTNES: Anyone from Southeast region?

5 UNIDENTIFIED MALE: I didn't catch that.

6 MS. LOVE-HESTNES: Southeast.

7 UNIDENTIFIED MALE: (Indiscernible - telephonic speech)  
8 with EPA Anchorage.

9 MS. LOVE-HESTNES: Southeast region?

10 MS. SEBALO: Simone Seballo, Zender Environmental.

11 MS. LOVE-HESTNES: South-central Anchorage? Has everyone  
12 listed their name and firm? Anyone else outside of the U.S.?  
13 Okay. Anyone within the Continental U.S.? We'll start with  
14 regions. Northern region? Northeast, excuse me. Southeast?

15 MR. D'AMATO: Vic D'Amato, Tetra Tech (ph).

16 MS. LOVE-HESTNES: Southwest?

17 MR. CORNUTT: Ryan Cornutt, Orenco Systems, Oregon.

18 MR. CID: Clement Cid, California Institute.....

19 MS. HANAN: (Indiscernible - telephonic speech).

20 MR. CID: .....of Technology.

21 MS. HANAN: Sorry, Anastasia Hanan with (Indiscernible -  
22 telephonic speech).

23 MS. LOVE-HESTNES: Midwest?

24 MR. JACOBI: Bill Jacobi(ph), University of Missouri.

25 MS. LOVE-HESTNES: Anyone else, within the Continental

1 U.S.? Thank you. With that, we're going to have Bill begin  
2 with some background and comments and Tim will assist with any  
3 questions and answers.

4 MR. GRIFFITH: Good morning, my name is Bill Griffith, and  
5 I'm the Facility Programs Manager within the Division of Water  
6 in the Alaska Department of Environmental Conservation. I'm  
7 going to take a few minutes this morning to provide some project  
8 overview information and address some issues that we've been  
9 getting questions about. Before I get started. I just want to  
10 refer people to the project website, which as Sonja mentioned,  
11 there is a link provided at the RFP site, but you'll find a lot  
12 of additional information at the project website. Just more  
13 information about the reason for the project and additional  
14 background information, which I think would be useful if you're  
15 interested in responding to the RFP.

16 Couple of things, I'll -- I'll basically be using the RFP  
17 document for reference and I'll try let you know what page I'm  
18 on if you're following along.

19 Beginning on page nine, and really, the key part of this  
20 RFP, as far as understanding the project and the project  
21 requirements are between page nine and 27. There's obviously  
22 additional information you need to pay attention to. But the  
23 information I'll be covering is really between nine and 27.  
24 Little bit about the need for the project. As you can read in  
25 the RFP, fiscal realities require that State and Federal funding

1 agencies involved with delivering water and sewer systems in  
2 rural Alaska begin to address these issues in a different way.  
3 Funding for water and sewer system improvements is about half of  
4 what it was 10 years ago in Alaska. And meanwhile the funding  
5 need associated with existing systems has increased  
6 significantly. The current gap between available funding and  
7 funding need is nearly \$700 million and increasing every year.  
8 So, the bottom line is that the path we're on isn't going to get  
9 us where we want to go. And we have to find another way, or  
10 people will continue to go without drinking water in their homes  
11 and the ability to flush a toilet. Or -- and or, people with  
12 that service now may lose that service. We simply don't have  
13 the funding that's needed to address these problems using our  
14 traditional approaches.

15       There are a number of new decentralized water and  
16 wastewater treatment minimization and recycling technologies  
17 that have been developed throughout the world really. You can  
18 see examples of this all over the place, but they haven't been  
19 put together in a way that we think really works for rural  
20 Alaska communities. And that's -- that's the intent of this  
21 project, just to see whether we can work with some teams. Bring  
22 those existing technologies together in a way that may help to  
23 address some of the needs we have here in Alaska in less  
24 expensive ways, both in a capital construction perspective and  
25 in an operation and maintenance way.



1           Moving on to page 10, couple of points I want to make.  
2   The intention of the project is to develop a whole house water  
3   and sewer system for homes in rural Alaska. And I think the key  
4   thing to point out here is that approaches that are limited to a  
5   single component, such as an innovative toilet or an in-home  
6   water treatment process, will not be considered. The proposed  
7   systems must provide a comprehensive water and sewer service for  
8   the entire household. A few assumptions that I want to point  
9   out, I won't go through all of these, but I do want to mention a  
10  couple of things. Technology developed for this project will be  
11  limited to use within a single family-housing unit. There are  
12  existing treated and untreated sources of water available in the  
13  community that can be hauled to homes. These sources include,  
14  but are not limited to, community watering points from a treated  
15  source. You can assume that one of those is available in every  
16  community and then of course there are various raw water sources  
17  available as well such as rivers and ponds and rainwater and  
18  snowmelt.

19           Household systems may accept either treated or untreated  
20  water or both. Systems may produce and use water at different  
21  but appropriate levels of treatment and quality for different  
22  purposes of the home. That's kind of a mouthful, but it's a key  
23  thing to understand and as you think about responding to this  
24  solicitation. Project teams will need to specify the quantity  
25  of water at different levels of treatment that would need to be

1 carried to the home. Water and sewer service for the purpose of  
2 this solicitation is defined as kitchen sink, a bathroom sink, a  
3 toilet, a tub or shower and a tap and drain for a clothes  
4 washing machine. Now, this is probably the area where we  
5 received the most questions is that, you know, are we going to  
6 require that all of those services, all of those water and sewer  
7 services are available? And, I think the best way to respond to  
8 that is that we've identified all those services as a target and  
9 we've recognized that that's a high target to meet. And so, as  
10 teams during the second phase of this project begin to put  
11 together their proposals, we're going to be interested to see  
12 whether they can meet that target. One of the questions that we  
13 got a lot of, is there a hierarchy of need as far as those  
14 services go? And I guess the answer is yes. We believe that  
15 the sinks and the toilets are the most important services that  
16 we're trying to be able to provide. The tub or shower and the  
17 tap and drain for the clothed washing machine would be kind of a  
18 secondary need from a health perspective. So again, ideally,  
19 we'd like to see all these services provided, but you know, we  
20 know we have some -- that's a high target and it'll be difficult  
21 to provide all of that within the cost that we've identified as  
22 a targets as well. So, keep that in mind, it's not an absolute  
23 requirement that we get to all of that, but a team that can come  
24 up with an idea that can provide all of it within the cost,  
25 would obviously be preferred to a proposal that can only provide

1 a portion of those.

2 Couple of things about funding. The State of Alaska fully  
3 anticipates that we will be able to provide funding for phases  
4 two through five. There's not funding associated with phase  
5 one, I'll talk about that in a minute. Teams -- but, I want to  
6 point out another, a factor is that teams that are able to  
7 contribute any of their own funding toward the development and  
8 testing of prototypes and household systems would enhance their  
9 likelihood of developing and demonstrating a successful system.  
10 But that's not a requirement for any proposal or a team.

11 On page 11 of the RFP, if you're following along, I want  
12 to mention about the operation and maintenance of decentralized  
13 systems. We have decentralized systems now in Alaska, wherever  
14 we can, traditionally we think about wells and septic systems as  
15 decentralized systems. Those kinds of systems don't require a  
16 lot of operation and maintenance. We recognize that the kinds  
17 that we're trying to achieve with this project will require more  
18 O and M and we believe that a key part of any system we develop  
19 would be local operation and maintenance services and we're  
20 looking at the probable formation of local cooperatives with  
21 trained technicians and we're going to need to think about the  
22 supply chain for parts associated with any system that gets  
23 funded. So, all of that is envisioned. We know that these  
24 things aren't going to run by themselves, that we're going to  
25 need testing, we're going to need service, we're going to need

1 repairs. So, that's all envisioned long-term for any system  
2 that we decide to move forward with.

3 This project will not move forward if less than two teams  
4 are selected for proposal development and our targeted range for  
5 the number of teams for proposal development is four to six.

6 Okay, I want to talk a little bit about the project  
7 phases and the project scope. This is probably the one area  
8 that we have received the most questions on. I want to make  
9 sure I can explain this. This document that we're talking about  
10 today is called a Request For Proposals and that's led to a  
11 little bit of confusion. We understand that. What we're  
12 actually asking for in phase one is a Statement of  
13 qualifications in response to this solicitation. And so what  
14 we're looking for, is for teams to be put together. And I'll  
15 talk in a few minutes about the contents of the submittal. But  
16 we're looking essentially just for information about that team  
17 and how it would go about trying to solve the problem that we've  
18 identified. So, we're not looking for specific proposals at  
19 this stage. The proposals that get written up will be funded  
20 and provided as part of phase two. So, again, phase one is the  
21 formation of the teams. It's a three-month long solicitation  
22 and we're looking for engineering companies, research  
23 institutions, manufacturers, any others who are interested to  
24 form teams and respond to this solicitation. We will evaluate  
25 teams and score them according to the criteria included. And in

1 the second phase, up to six of the highest ranked teams will  
2 receive funding to develop written proposals. And what -- and  
3 so, that's phase one and I'll of course take questions in a  
4 minute if there is any further confusion about that. But phase  
5 two, written proposals will be developed, will provide up around  
6 six months for those proposals to be put together. And at the  
7 end of that six months, project teams will present their  
8 detailed proposals to the -- to a Steering Committee, it'll  
9 probably be next summer, both in writing and in a presentation.  
10 We will evaluate and score those proposals according to the  
11 performance targets that are identified in this document and  
12 will select the most promising proposals to receive additional  
13 funding for further development.

14 Phase three, we're looking to provide additional funding  
15 to up to three teams to develop prototypes and perform pilot  
16 testing. And we'll provide testing requirements for each  
17 prototype. We would like to see engineering plans reviewed and  
18 approved by the DEC and the Steering Committee. Prototype  
19 development and testing is expected to last up to a year. And  
20 in 2015 the results of the pilot-testing phase will be  
21 presented. Systems that can demonstrate performance target  
22 outcomes will be selected for the next phase.

23 Phase four is field system development and testing.  
24 Additional funding would be provided. Field-testing which is  
25 projected to begin in 2015, will include a full year of

1 operation. We will work with various organizations around the  
2 State to identify locations for the field-testing. And again we  
3 would like to see the engineering plans for that phase. User  
4 acceptance and health outcome would be evaluated during this  
5 phase. During the field-testing phase, systems would be closely  
6 monitored and users will provide feedback on operation and use.  
7 At the conclusion of the phase, each system would be evaluated  
8 by the Steering Committee.

9         During phase five -- a phase five is technology refinement  
10 and improvement. Additional funding would be provided to  
11 address system inadequacies and failures identified during phase  
12 four.

13         I just want to note, that as Sonja mentioned earlier, we  
14 are -- this is an international solicitation. Team members  
15 don't have to be U.S. based. So we would welcome anyone  
16 providing their services from anywhere. We think that a lot of  
17 these kinds of systems have been developed internationally, so  
18 we're interested to see if anyone would be interested in working  
19 on a team.

20         Couple things under deliverables. Under this first phase  
21 of the project, the State is requesting the formation of teams  
22 only. And we're only asking that the Statements of  
23 qualifications be submitted by the deadline in November. Up to  
24 -- again, up to the six -- six of the highest scoring teams  
25 would be selected to receive funding in the second phase.

1           Beginning on page 15, we have provided information about  
2 our projected performance targets. We've gotten a lot of  
3 questions about these. We certainly welcome any comments at this  
4 stage. We'll continue to accept comments as phase one  
5 continues. But just to keep in mind, these are targets at this  
6 point, they are subject to change, prior to phase two. But  
7 again, these are targets. We're hoping that teams can achieve  
8 these. Certain ones are really critical. I'll just outline a  
9 couple of those. They've got -- the proposed system has to be  
10 constructible and durable. We have a targeted capital cost here  
11 of \$160,000.00 per home. We've gotten questions about that.  
12 That sounds like a high number and it is, if we're talking about  
13 an individual homeowner having to pay for it. But it's a lot  
14 less than we're currently spending to provide water and sewer to  
15 rural homes using a centralized approach. So, I kind of think  
16 of this number as a number between, I think an ideal number that  
17 might be affordable for a homeowner and something that is  
18 clearly unaffordable even for State and Federal funding agencies  
19 to continue to provide. So again, this is a target. What we'd  
20 be interested to see is whether all the services we've  
21 identified can be provided for this cost, or if it might be a  
22 better target to think about providing just a kitchen and a  
23 bathroom sink and a toilet for much less money. We would  
24 consider proposals like that and have to weigh whether or not  
25 that would be a better approach.

1           We've identified again a target of 15 gallons of usable  
2 water per person, per day and that's for all uses comprised of  
3 water for drinking and cooking, washing and flushing. So,  
4 assuming an average household size of four people, that amounts  
5 to 60 gallons of water per household, per day. And again,  
6 that's a target, and I know that teams will struggle with that  
7 and we're wanting to see what they can come up with. And I  
8 talked a little bit about previously those basic services,  
9 kitchen sink, bathroom sink, toilet, tub or shower and a tap.

10           Operating costs. Another key element of our targets.  
11 We'd like to see total monthly operating costs not exceed  
12 \$135.00, which is five percent of a mean household income of  
13 \$2,700.00 a month. We've gotten lots of questions about where  
14 these numbers come from. They come from a variety of sources  
15 mostly State demographic information. That number is obviously  
16 high for some communities and it's low for others. We're just  
17 trying to come up with a number that can be used by all teams so  
18 we're all using the same numbers. We provided a little  
19 information about the assumptions that we think we're going to  
20 ask you to use for electrical cost, diesel fuel, treated water  
21 cost from a local watering point and a sewage hauling cost if  
22 that's part of a system that you provide. We've gotten  
23 questions about whether has to be sewage hauled away or can  
24 there be other means of handling wastewater. And the answer is  
25 yes. You can handle wastewater any way you can come up with,



1 but if your system calls for sewage to be removed from the  
2 household, the house site, then this is the charge that you  
3 should assume that the commun -- the homeowner will have to pay.

4 A few other targets here, we want to see freeze and thaw  
5 recovery capability. People that live throughout Alaska leave  
6 their homes unheated at various times of the winter. They have  
7 to be able to do so and then get their system back online. A  
8 target is to have they system as modular as possible, which  
9 means we can have plug and play components. To the greater  
10 extent to which that can be achieved obviously is better. We  
11 obviously have to think about compliance with a plumbing code  
12 ultimately and we don't expect that -- we do expect that there  
13 will be work with the Alaska State Uniform Plumbing Code Office  
14 and that we may need to request variances for systems that get  
15 developed. We'd like to see the system developed with parts  
16 that can be made readily available, those will be considered.  
17 Those will be scored higher during phase two.

18 And then I'll just talk briefly about deliverables for  
19 phases three, four and five. Under phase three, selected teams  
20 will receive funding to develop a fully functional prototype.  
21 Testing requirements will be provided under phase four. Fully  
22 functional field-testing system will be funded -- these will be  
23 funded in places probably like Fairbanks and Bethel, but they'll  
24 be put into homes and monitored closely so that we can get  
25 feedback. And under phase five funding would be provided to

1 refine systems according to the test results in phase four.

2       Okay, I'm going to jump ahead to page 22. Mention a  
3 couple things about minimum qualifications. This is probably  
4 the most important part of this RFP for people to focus on.  
5 We're looking for the teams to have members that can meet all of  
6 these four minimum qualifications. And I just want to briefly  
7 outline these. One or more team members must have prior  
8 engineering design and construction experience in water and  
9 wastewater in remote and austere environments. So, it isn't --  
10 you aren't required to have somebody that has Alaska experience,  
11 but it's got to be in an environment that's challenging. It's  
12 got to be a remote environment where the kinds of access to  
13 parts and services aren't readily available. P.E. Registration  
14 is not required for this team member. One or more team members  
15 must have participated as a principal team member on at least  
16 one project, which successfully develops solutions and  
17 alternative and non-traditional, sustainable approaches to  
18 addressing water and sewer needs at the household level. Such  
19 as treatment reuse and recycling for example. We're looking for  
20 one or more team members to have participated as a principal  
21 team member on at least one project, which successfully  
22 evaluated public acceptance and receptivity of the use of health  
23 related technologies in a household setting. And then one or  
24 more team members must have participated in a principal team  
25 member on at least one project, which used a certain type of

1 technology development, which included soliciting and  
2 incorporating input from end users on new technologies and  
3 methods. This approach is sometimes referred to as to design  
4 thinking. The key element here is that we're looking for  
5 someone who has experience in using -- in utilizing user input  
6 from the very beginning of the design process. And we would  
7 expect it during phase two, that would be the -- every team's  
8 approach to be talking to end users about what would work for  
9 them and getting their input throughout the development of their  
10 proposal.

11 Briefly, proposal content. You want to pay attention to  
12 page 23. Beginning on page 23, I won't go through that in  
13 detail, but there are several pieces of the proposal that have  
14 to be included in order for them to be evaluated. The  
15 evaluation and criteria and scoring information is provided on  
16 page 25. And you might also make sure you're familiar with the  
17 interviews and presentations which would -- we would expect to  
18 conduct with up to 10 of the responsive, highest scoring teams  
19 according to the scoring completed in step one. So, we'll first  
20 evaluate each of the proposals in writing and then we'll conduct  
21 interviews and presentations with up to 10 of the highest  
22 scoring teams.

23 So, that's the end of my overview and I'm just trying to  
24 provide some clarification on some of the questions we've  
25 received so far. And I think at this point, we're ready to open

1 it up for questions.

2 MR. HOFFMAN: So, questions out here?

3 MR. GRIFFITH: Well, we'll accept some questions from the  
4 room here first and then we'll move to the phone.

5 MR. HOFFMAN: And if you can just say your last name and  
6 spell it for our transcriber then your question.

7 MS. KEISER: Jan Keiser. K-E-I-S-E-R. ILF Consultants.  
8 Could you please explain the intent and nature of the waiver if  
9 you intend to do some of the work outside the U.S.? Is that a  
10 waiver or a disclosure? What does that really mean? Thank you.

11 MS. LOVE-HESTNES: That's a regulation as far as for DOT,  
12 State of Alaska. We just have to get the actual approval from  
13 the Chief Procurement Officer.

14 MR. HOFFMAN: Another question?

15 MR. AREHART: Okay, last name is Arehart. A-R-E-H-A-R-T.  
16 My question is -- is there any clarification about regionally  
17 based solutions because this is things -- vary quite a bit  
18 throughout this State?

19 MR. GRIFFITH: Yes, that's something that we've talked a  
20 lot about. There's obviously a lot of -- a lot of variation in  
21 the environment that villages are located in. Most of the un-  
22 served homes at this point in the State are located in either  
23 the YK Delta or the Interior. But we've got homes that alack  
24 running water and sewer service everywhere from Southeast to the  
25 Northwest. So, we're looking for obviously an approach that

1 could work just about anywhere would be optimal. But, you know,  
2 if a particular approach might work best in one region, that's  
3 certainly not ruled out. We'll take a look at it, but we are  
4 just looking for a single proposal ultimately from each team so  
5 we can evaluate it fairly.

6 MR. AREHART: So, you're just saying you want to focus on  
7 the Sub-Arctic and the Arctic regions?

8 MR. GRIFFITH: Well, I am saying that's where most of the  
9 un-served homes are. So, we obviously want a solution that can  
10 work for them, but if you've got a solution that might work best  
11 in Southeast, but that be usable elsewhere, we'll certainly  
12 consider it. But we want something that can obviously meet the  
13 needs of people in YK Delta, the Interior, that's our primary  
14 focus because that's where most of the un-served homes are.

15 MR. RONIMUS: Art Ronimus. R-O-N-I-M-U-S. The question I  
16 have is about the team evaluation. And because you may be  
17 asking for an assembly of people from different firms, who would  
18 you expect to take on the primary role as the primary  
19 contractor? Because there may be a lot of subcontractors and  
20 other members just through business affiliation. Is that  
21 critical?

22 MR. GRIFFITH: Well, we need to understand how the team is  
23 going to work together and be managed. That's one of the  
24 requirement in the RFP, is for each team to explain how the  
25 project will be managed and how people are going to work

1 together and who the primary point of contact is. But we don't  
2 have any requirements in that regard.

3 MR. ALLEN: Yes, is the State going to provide a little  
4 more structure on how you wish to have the voice of the customer  
5 reflected in the final solution? Do you want to run a number of  
6 clicks, do you want to run surveys? Exactly how do you want  
7 that to happen? Because currently, it just says voice of the  
8 end user needs to be reflected in your project somewhere and  
9 somehow.

10 MR. HOFFMAN: Can you also say your last name?

11 MR. ALLEN: Tim Allen with Co-Water.

12 MR. GRIFFITH: Yes, again, another key part of this  
13 project is for teams to identify how they're going to  
14 incorporate user input throughout the development of their  
15 proposal and subsequent phases. So, we'll be looking at teams  
16 to prepare their own plan for that. In addition to that, we're  
17 in the process of putting together a couple of user groups made  
18 up of residents from rural Alaska, who can be made available to  
19 teams and available to the Steering Committee. We expect to be  
20 gathering some input from them and utilizing their input as the  
21 project goes along. But we're going to have them available as  
22 resource, but we want to see what teams come up with as far as  
23 how they intend to incorporate user input.

24 MR. RONIMUS: Art Ronimus again. Has the State set a  
25 specific public health objective here so that the facility once

1 accepted is functional on par with what a public water system  
2 and a sewer system might provide for water quality or public  
3 health benefits?

4 MR. GRIFFITH: Well, that's the idea behind the targets.  
5 We believe that if the -- all of those targets can be achieved  
6 we would have a system that was on a par with a system that was  
7 piped. But, again, we don't know how achievable those targets  
8 are until we see some of those proposals and then ultimately the  
9 prototypes and field models. So again, you know if all the  
10 targets are met and people have that much water available for  
11 all those purposes we believe that system could be on a par, but  
12 we'll have to see how achievable that is.

13 MR. RONIMUS: I guess the follow up question is that the  
14 regulations currently are pretty specific about the water  
15 quality that you can get from a public water supply. Would  
16 those same criteria apply to this system in the home?

17 MR. GRIFFITH: Yes, that's a question we've been getting  
18 in writing and we'll provide some responses to that here  
19 shortly. But the requirements for a public water system  
20 obviously only apply to water that that system provides to the  
21 public. So, any water that is hauled to the home from a public  
22 watering point, those standards obviously continue to apply.  
23 The difference with the decentralized system is that you got the  
24 ability to either treat raw water for other purposes in the home  
25 or recycle water for other purposes -- for purposes other than

1 drinking. And those same requirements don't necessarily have to  
2 be met. Now, there's going to have be some standards  
3 established, and again, we'd be probably working closely with  
4 the folks at the State Plumbing Code Office about some of those  
5 requirements. But, you know, an example is water used for  
6 flushing toilets, if it's not -- if that water isn't provided by  
7 a public water system, the same requirements don't apply to it.

8 MR. DOTSON: Aaron Dotson. My last name is spelled D-O-T-  
9 S-O-N. So, only challenge I have with that discussion is the  
10 concept mentioned in the proposal of kind of community  
11 maintenance. If community maintenance is invoked, it  
12 technically would probably fall under a community water system  
13 of point of use or point of entry devices, even if it's in the  
14 home. Does -- is there a comment of State of how to attend to  
15 that concern?

16 MR. GRIFFITH: I guess -- I guess my response to that,  
17 we'll look further into that. That hasn't been our  
18 determination at this point that if there is a local Co-op that  
19 is available to provide services to homeowners for equipment in  
20 their home. It hasn't been our interpretation working with the  
21 drinking water program to date that that would constitute a  
22 public.....

23 TELEPHONE OPERATOR: Now attending.

24 MR. GRIFFITH: .....sorry, that that would constitute a  
25 public water system, but with that question specifically in



1 mind, we'll continue to look at that. That's obviously a key  
2 consideration going forward.

3 MR. DOTSON: Bill, let me clarify one more time here.....

4 MR. GRIFFITH: Yes.

5 MR. DOTSON: .....it's not particularly if a private  
6 entity builds a company that is part of this Co-op, its if the  
7 community generates a State-Government or community funded  
8 enterprise that manages these. I think there is a clear  
9 delineation, it even stands with point of use devices if a city  
10 installs it versus a private company. So, I think that's where  
11 I'm kind of approaching.

12 MR. GRIFFITH: Okay, thanks Aaron, I -- we'll take a look  
13 at that further with that clarification. I guess, you know, we  
14 haven't thought about it in those specific terms, so we'll take  
15 a look at it and try to get a response back.

16 MR. RONIMUS: Hello, this is Art Ronimus again. I guess  
17 the follow up question is that the possibility of different  
18 water quality in the home generally the regulation is a risk-  
19 based analysis. But -- and there's some pretty specific  
20 requirements that you not be in contact with recycled water, is  
21 another thing for that purpose. So that drinking water is first  
22 water, and all other contact water generally have to meet the  
23 same drinking water standard. Is there something else in mind  
24 that you have that is setup -- a different standard than that?  
25 Because that's a pretty high bar to reach, in terms of use and

1 exposure in the home.

2 MR. GRIFFITH: Yes, well it certainly is our expectation  
3 that all water wouldn't be treated to the same the level for  
4 different purposes. That the only water we expect to be treated  
5 to drinking water standards is the water used for drinking and  
6 cooking and so on. What standards other water uses are treated  
7 to, is going to be up to the individual teams and the approaches  
8 that they identify and how much risk that represents is  
9 something that we'll be evaluating as we go along.

10 MR. RONIMUS: I guess that the follow up is that there are  
11 currently regulations that address that currently, and so you  
12 might run into that as an obstacle. If EPA has a standard for  
13 what drinking water is and even the State has that same  
14 standard, are you asking the teams to basically comply with all  
15 existing requirements and not look to variances, say for  
16 incidental contact with recycled wastewater? Because that's a  
17 pretty significant issue here. Because of the quantities that  
18 each use might require.

19 MR. GRIFFITH: Right. I mean we're obviously looking at  
20 that. But again, a lot of those drinking water standards don't  
21 apply to water that isn't provided by a public drinking water  
22 system. So, we'll be taking a look at all of that as we go  
23 along. But, all of those questions haven't been answered at  
24 this point.

25 MR. TSIGONIS: Bob Tsigonis. T-S-I-G-O-N-I-S. What was

1 my question? Will you be at -- the questions that were  
2 submitted previously in writing, will you be addressing those in  
3 writing as well?

4 MR. GRIFFITH: Yes. Yes, we have all those questions and  
5 within a week to 10 days or so, we'll be providing responses to  
6 all of those questions in writing as part of an addendum to the  
7 RFP. And in addition to responses to the questions being asked  
8 here today.

9 MR. TSIGONIS: Okay. I kind of felt we might be  
10 discussing those today, but .....

11 MR. GRIFFITH: There was a lot of them.....

12 MR. TSIGONIS: .....I'm sure.

13 MR. GRIFFITH: .....we opted not to go through them all.

14 MR. TSIGONIS: Okay.

15 MS. KEISER: Jan Keiser again. I think one of your  
16 criteria, I think it was the second one, asked for experience  
17 with water and wastewater projects related -- where particularly  
18 public health data were collected and monitored. Are you  
19 expecting the teams to come with public health statistician  
20 expertise? Or will you provide that? Or does that State have  
21 enough of that? Could you explain that and the intent of that  
22 criteria?

23 MR. GRIFFITH: Sorry, I'm going to try to look at that  
24 while I answer the question.

25 MS. KEISER: It's the second to the third one.

1           MR. GRIFFITH: The second one is that we're looking for a  
2 team member that has worked on approaches to addressing water or  
3 sewer needs at the household level. Is that the one you are  
4 asking about?

5           MR. KEISER: It's the one where you're specifically  
6 looking for preferred where there is public health data  
7 collected and monitored, I think.....

8           MR. GRIFFITH: I think it might be number three. Someone  
9 whose worked on a project to evaluate public health acceptance  
10 and receptivity of the use of health related technology in the  
11 household setting. Well, we're not planning to -- we've got  
12 some people on our Steering Committee with that kind of  
13 expertise. So, you know, we'll be relying on them to look at  
14 the team members that can best meet that requirement.

15          MR. RONIMUS: Art Ronimus again. Is the system meant to  
16 be entirely independent without -- an isolated cabin is one  
17 incident -- one situation, but in a community that already has  
18 pipe components or haul components, are those to be excluded  
19 from the proposal as being able to offer a service? In some  
20 instances, a hundred and sixty thousand dollar budget might  
21 allow pipe extension for say-- is that off the table as a  
22 remedy? Reliance on any form of haul or pipe systems currently  
23 and only the watering point or no washateria.

24          MR. GRIFFITH: Yes, we anticipate that a lot of approaches  
25 might -- might anticipate that there are sewage hauling services

1 available. If it's not going to be possible to treat and  
2 dispose of all the sewage onsite, we -- we're guessing that a  
3 lot of approaches might rely upon that service, but we're not  
4 looking for any approaches to include pipe service or  
5 necessarily the available delivery of water to the home. But we  
6 do anticipate that there is a public watering source available  
7 in every community. So really, the only service that we think  
8 that may be required would be the ability to have sewage hauled  
9 away.

10 MR. TSIGONIS: Bob Tsigonis again. So, for clarification  
11 then, we are to plan on the home -- the individual homeowners  
12 hauling water to their home?

13 MR. GRIFFITH: Yes. As much as they need for whatever  
14 purposes that the home system can manage. That's right.

15 MR. TSIGONIS: Okay, and one other question. The 25 cents  
16 a gallon for sewage hauling cost, would that pertain to sludge  
17 removal also?

18 MR. GRIFFITH: Well, we hadn't -- we had not established a  
19 separate cost for sludge removal. So, I guess the answer would  
20 be no. We'd have to take a look at that whether or not that  
21 would be a different cost or not. And we'll take a look at that  
22 -- try to have that answer. We'll certainly have it available  
23 for phase two but.....

24 TELEPHONE OPERATOR: Now attending.

25 MR. GRIFFITH: .....when we identify that cost, we were

1 thinking of wastewater as opposed to sludge.

2 MR. THOMAS: Tim Thomas (Indiscernible - interrupted).

3 MR. KAMLER: (Indiscernible - telephonic speech) question  
4 from Juneau.

5 MR. GRIFFITH: Sorry. Go ahead Tim.

6 MR. THOMAS: Just a question, how many homes are you sort  
7 thinking about will be needing this put into?

8 MR. GRIFFITH: Well, right now we know there's roughly  
9 6,000 homes that lack running water and sewer in rural Alaska.  
10 But some homes that we currently count as having service are  
11 struggling to maintain that service. Some of them were  
12 originally hooked up to pipes or haul system and may be having  
13 trouble with that service for some reason, may not currently be  
14 receiving it. So, they are candidates as well. Depending on  
15 the type of system that is being proposed, it's possible that it  
16 could be used in conjunction with an existing community system  
17 of some kind. So, just as an example, there are some water  
18 systems that are not able to provide as much water as people are  
19 using -- would like to use in their homes. People are on water  
20 restrictions because the -- either the source or the treatment  
21 system isn't capable of providing enough water. So, it's  
22 possible that if there was a water use minimization system or  
23 recycling system, that could be put into a home and allow that  
24 existing system to provide better service to the home. So, you  
25 know, at a minimum, we're looking at those 6,000, but we believe

1 there are homes that we may have counted as served that could  
2 benefit from different approaches as well.

3 MR. KAMLER: Question from Juneau.

4 MR. GRIFFITH: Do we want to take a few.....

5 MR. HOFFMAN: Want to take a few on -- from the phone?

6 MR. GRIFFITH: Sure.

7 MR. HOFFMAN: (Indiscernible - interrupted)

8 MR. GRIFFITH: Let's take a few questions from the phone  
9 line and then we'll see what else we have in the room. So, go  
10 ahead Juneau.

11 TELEPHONE OPERATOR: Now attending.

12 MR. KAMLER: (Indiscernible - telephonic speech)

13 Throughout your -- this is Jonathan Kamler with University of  
14 Alaska -- it's inflicted throughout your, I guess nine parts of  
15 phase one and phase two that you have here, but nowhere in it  
16 does it explicitly layout that there's either points or  
17 consideration for potential reduction in green house gas  
18 (Indiscernible - telephonic speech) from a proposal. Is that in  
19 any way explicitly handled?

20 MR. GRIFFITH: Your question is about whether or not the  
21 reduction in green house gases -- how that would be potentially  
22 be handled? Do you mean in a part of an evaluation criteria?

23 MR. KAMLER: Yes. Exactly.

24 MR. GRIFFITH: When it comes to evaluating the proposals,  
25 the specific criteria, evaluation criteria, haven't been

1 established at this point. I can say that that isn't something  
2 that we've talked a lot about, but it's something that I guess  
3 we'll consider as a suggestion. But we hadn't identified that  
4 really as an evaluation criteria for the proposals.

5 MR. KAMLER: Thank you.

6 MR. GRIFFITH: Other questions from folks on the phone?

7 MR. CID: Yes. Clement Cid from CalTech. I have a  
8 question regarding the number of team members. So, is there any  
9 maximum?

10 MR. GRIFFITH: Question is about the number of team  
11 members. There is no maximum number. No. Nor is there a  
12 minimum. We imagine that there will be cases where one team  
13 member can fulfill more than one of the minimum qualifications.  
14 So, there's no minimum and there's no maximum.

15 MR. CID: And regarding the type of funding for the second  
16 phase, how does it work? Do we have provide a budget for the  
17 writing of the proposal? Or will it be directed by the State of  
18 Alaska?

19 MR. GRIFFITH: We will negotiate that cost with each team  
20 that is selected. We have funding available obviously for phase  
21 two, so we'll be looking at the funds we have available and  
22 we'll be working with teams to negotiate a cost.

23 MR. CID: Okay. Thank you.

24 MR. GRIFFITH: Let me see if I anymore questions on the  
25 phone. Okay, we'll come back to that, as we've got another



1 question in room up here Tim.

2 MR. ALLEN: Will there be any opportunity given to  
3 reconfigure teams after phase one is complete? In other words,  
4 if we get into phase two or phase three, there's a portion of  
5 one of the solutions that looks very promising, but the rest  
6 isn't. Is that opportunity going to exist or are teams cast in  
7 stone at the end of phase one?

8 MR. GRIFFITH: We'll we're obviously interested in teams  
9 trying to remain constant, of course things happen and that may  
10 not always be possible. So I thought a little about that, we  
11 don't have much information in the RFP about it. We did get a  
12 question about that. So I believe we'll be working with teams  
13 kind of on a case-by-case basis. We would be looking for them  
14 to replace any team members that are not able to stay with the  
15 team with -- somebody with similar level of experience and  
16 background and obviously if we believe that the degree of  
17 expertise falls off far enough we would obviously have the  
18 option of not continuing to work with the team. But, you know,  
19 we recognize team members may have to -- may not be able to stay  
20 with it for the duration of the project in some cases.

21 MR. ALLEN: What technologies?

22 MR. GRIFFITH: Well again, we recognize that based on the  
23 prototype development and field testing, there may have to be  
24 some changes in how the team is approaching the problem and  
25 again we expect that there will be some lessons learned as you

1 go along and some changed made which could result in changing  
2 some of the team members, but again we'll have to work with  
3 teams on that and just make sure that -- you know it makes sense  
4 and.....

5 MR. ALLAN: That didn't address the technology  
6 (Indiscernible - interrupted).....

7 MR. GRIFFITH: Okay, you might want to explain  
8 (Indiscernible - interrupted).....

9 MR. ALLAN: The technology fails partly through, will you  
10 be able to -- will you be permitted to replace it with  
11 alternative technology or approach?

12 MR. GRIFFITH: I guess we'll have to think more about  
13 that. I guess the answer is potentially. I mean, we're not  
14 looking for a team to come up with one idea then completely  
15 switch to another idea, but on the other hand we recognize they  
16 may learn things as they go along and we want to be able to  
17 allow for that.

18 MR. RONIMUS: Art here. One of the assumptions you  
19 mentioned was that each commun -- each home might have access to  
20 a watering point and that's in a community setting. If on the  
21 other end for the wastewater generation, is it assumed that  
22 every community will have an improved wastewater disposal site  
23 and a home would not rely on on-site capabilities?

24 MR. GRIFFITH: Yes. That is assumed. It is assumed that  
25 there will be a means of disposing of wastewater that has to be

1 hauled away from the home.

2 MR. BARON: Hi. Kilby Baron. B-A-R-O-N. With Cowater.  
3 Can I just try and get my brain around this a little bit more in  
4 the sense of -- you're looking for un-serviced homes the primary  
5 target here, about 6,000. And -- but at the same time as I'm  
6 understanding everything, we're putting an envelope around the  
7 home and we're saying don't worry too much about how the water  
8 gets there and don't worry too much about how the effluent gets  
9 out of the that envelope, just concentrate within the home. So,  
10 we're targeting the un-serviced homes that are not getting  
11 anything today and yet we're saying don't worry about that in  
12 this study, because this study doesn't address getting the water  
13 too or from -- or effluent away. Is that about right?

14 MR. GRIFFITH: That's essentially correct. All these  
15 homes, all these 6,000 homes, all but maybe a handful, have  
16 access to a community watering point now. They all haul limited  
17 amounts of water to their homes now and we expect that they can  
18 continue to do that. Obviously the less water they have to haul  
19 the better. They're all dealing with hauling honey buckets away  
20 from their home at this point or some other similar approach to  
21 disposing of wastewater. We want to see that burden reduced  
22 significantly. The less wastewater that ultimately has to be  
23 hauled away from a household system, the better. It'll cost  
24 them less. It'll be less a inconvenience for them. But we  
25 recognize that ultimately because of the places a lot of these

1 homes are located in, it's not going to be possible potentially  
2 to dispose of wastewater on-site.

3 MR. BARON: Okay, I've got that. All right, so with that  
4 framework in mind, the -- one of the biggest challenges with  
5 operating and maintenance of a system or an individual house  
6 system is the cost with delivering that water and the cost of  
7 taking that effluent away. So, we're just going to go with the  
8 assumptions that you've given us on the dollar cost for that,  
9 but not worry about minimum -- like, because obviously if you  
10 can minimize that, those costs.....

11 MR. GRIFFITH: Exactly.

12 MR. BARON: (Indiscernible - interrupted)

13 MR. GRIFFITH: That is -- that is, we obviously have water  
14 and sewer haul systems today. That people pay for water  
15 delivery and for sewage hauling. One of the big challenges with  
16 those systems is that if people are going to be using the kind  
17 of water, the amount of water that we believe is demonstrated  
18 with the maximum health benefits, say 60 or more gallons per  
19 household, per day. It becomes very expensive to deliver that  
20 much treated drinking water and remove that much wastewater from  
21 a household every single day. So, we're looking at approaches  
22 that can potentially reduce both of those things and make it  
23 affordable to use that much water in the household.

24 MR. BARON: Okay. And the follow up -- that last, I  
25 guess, part on that, was these 6,000 homes -- it's part of our

1 desire obviously with our time here, to be able to get them what  
2 they need as soon as possible. And so the first reactions we  
3 had with the whole timing was, boy, is everything kind of  
4 waiting until this is done? Because that's a lot of folks  
5 waiting for this service to their homes.

6 MR. GRIFFITH: Yes, they've been waiting their entire  
7 lives. Obviously, watching some communities get hooked up and  
8 other have been waiting. Yes, that's really why we're doing the  
9 project, I mean, I suppose we could all wait around for  
10 technology to evolve and products to become available. But  
11 we're trying to kind of accelerate that natural process a little  
12 bit with this project. We just know that we don't have the  
13 money anymore to be able to put these centralized systems in.  
14 We estimate that the cost of providing service to these 6,000 or  
15 so homes using centra -- using a kind of a traditional  
16 centralized approach, probably begins at about 500 million  
17 dollars and increases from there. But probably at least as  
18 importantly, the cost of people being able to operate and  
19 maintain those systems is unaffordable using centralized  
20 systems. So, we don't have the option of doing it with  
21 centralized systems, we don't have the money to do it. We don't  
22 just want to wait around for different approaches, different  
23 technologies to sort of become available on the market. Because  
24 we don't know how long that'll take. We don't know how long  
25 commun -- people are going to stick around and wait. So, we're

1 trying to accelerate things with this project. We actually, you  
2 know, it's been pointed out that the term new technology is a  
3 bit of a misnomer. We don't necessarily think that what's  
4 needed is somebody to go and invent something necessarily, but  
5 to look at products and approaches that are available now, maybe  
6 for different reasons and different places and put them together  
7 in a package that would -- could work for a rural Alaska home.

8 MR. TSIGONIS: Bob Tsigonis again. From the Sate's  
9 perspective, would you have a problem if, for example, a company  
10 or a -- put together a team and was a team leader or -- on a  
11 team, but also offered services to other teams? Like  
12 fabrication services for example.

13 MR. GRIFFITH: Yes, that's one of the questions that we  
14 got in writing. It depends on the role that that company or  
15 individual would play on the different teams. If you're a  
16 primary team member, we'd expect that you'd only be on one team.  
17 But if an off the shelf product is incorporated as a part of  
18 another team's approach, that can potentially be allowed. But  
19 as part of somebody playing an active role in creating a new  
20 approach, we'd look for you to do only do that on one team. So,  
21 I guess it kind of depends on how your role is described on --  
22 if you're going to try to be on more than one team. You could  
23 run into difficulties there.

24 MR. RONIMUS: You're doing a good job Bill. One other  
25 question, would the State or other agencies be committed to the

1 individual home as they currently are with public water systems?  
2 The State has the RMW program and ANTHC has a lot of technical  
3 assistance. What can individual homeowners or the system expect  
4 for support beyond the initial installation kind of thing?

5 MR. GRIFFITH: Yes, absolutely we would expect that the  
6 same kind of technical assistance would be available but  
7 probably not targeted at homeowners, but some of these local  
8 cooperative that we envision would be part of providing  
9 technical assistance to homes for some kind of a monthly fee  
10 let's say. We would look to providing training services to  
11 those technicians and again trying to facilitate the  
12 availability of parts that would be needed for the systems that  
13 might be employed.

14 MR. COOPER: Dave Cooper. C-O-O-P-E-R. I know that in a  
15 lot of these of villages the homes we're working in don't have  
16 an existing water system. They don't have a bathroom, a kitchen  
17 and the projects that are working in these villages, their task  
18 to go in and fit a whole facility inside an existing home.  
19 Would this proposal allow any expansion to the square footage of  
20 the home to allow for a modular unit to be built that would  
21 allow for a bathroom and a kitchen to be put on the side of a  
22 home? Or does it all have to fit within the existing building?

23 MR. GRIFFITH: Well, that's one of those targets. I mean,  
24 are the ideal system we'd be looking to utilize available floor  
25 space, which is really a requirement for most of our -- that

1 come from our Federal funding sources generally. And so, we  
2 don't expect that requirement to change so, we're not looking to  
3 add floor space typically in order to provide for a bathroom.  
4 Obviously, we could provide funding to install plumbing, but the  
5 target is to come up with a system that utilizes available floor  
6 space. Now, again, that's a target, that's a goal. If it's  
7 impossible to do with a particular approach, we'll take a look  
8 at it. But the challenge is finding, particularly Federal  
9 funding that would allow us to add floor space, it's hard to  
10 come by.

11 MR. RONIMUS: You mentioned the suitability of the system  
12 to be subject to funding from State and Federal sources and I'm  
13 kind of curious about what's going to be required for this  
14 prototype to meet for eligibility for that funding?

15 MR. GRIFFITH: Well, that obviously is -- question is  
16 about eligibility for State and Federal funding as we go along.  
17 Obviously, it's our intention to make sure that anything that  
18 gets developed is eligible for State and Federal capital funding  
19 sources. We have all of the current funding agencies on the  
20 Steering Committee were making sure we work closely with them and  
21 ultimately can be able use those existing funding sources on any  
22 systems that are developed. Other questions on the phone?  
23 Questions in the room? Got one here.

24 MS. SHIRLEY: Hi Bill. Long time no see.

25 MR. GRIFFITH: Yes.



1 MS. SHIRLEY: Jacqueline Shirley, Zender Environmental. My  
2 last name is spelled S-H-I-R-L-E-Y. I have a couple questions.  
3 The first one is now the centralized versus the decentralized.  
4 Centralized are more the public, you know the project -- whether  
5 the Tribal Government or City Government applies for the grant,  
6 they're the -- you know, they get the project, whether through  
7 ANTHC, VSW. Decentralized when you're talking about individual  
8 households, you know, is it -- how do we get these proto -- how  
9 do we get to the end user? Now are you going to have 6,000  
10 proposals -- oh, I want one and you know, is there going to be -  
11 - is it going to be just another system within ANTHC or VSW?  
12 How -- I mean how do the people get this prototype in their  
13 house? Are they going to have to be a grantee from the State?  
14 Because you know many grantees in the centralized -- you know  
15 there's a lot of barriers and a lot of times projects are put on  
16 hold because that government hasn't met the requirements for the  
17 grant to move forward. They haven't done something that -- oh  
18 you can't have -- we're stopping the project. You know, so I  
19 mean, are you going to have 6,000 grantees? Another one, this  
20 gentleman in the white shirt asked, is each individual household  
21 going to be responsible for hauling that much -- hauling the  
22 water to their house? Well whether it's, you know, the  
23 individual household owner or a delivery operator delivering  
24 water. What if it is going to be depended on the household  
25 owners to -- wow, I can't even imagine me and my uncle hauling,

1 you know 80 -- I mean having 60 gallons of water a day. And  
2 then if we had a tank that held that much, then you -- you know,  
3 it just causes a whole -- but your answer to him was, well  
4 whatever the household can manage. Well, whatever the household  
5 can manage, is not is not the public health standards of 15  
6 gallons per person per day. And -- so there's a lot of, you  
7 know, conflict and -- and if we can't use existing systems to  
8 enhance what, some of the good that is going on already -- some  
9 of the -- you know some -- a lot of the 6,000 homes are because  
10 they're not on the grid. Or because, well that house is not on  
11 that land so there's a land issue and we got to -- you know,  
12 there's good systems out there, but -- red tape. And some of  
13 the innovation might be how to deal with the bureaucracy and red  
14 tape.

15 MR. GRIFFITH: Uh-huh. (Affirmative)

16 MS. SHIRLEY: And have, you know, the end users I here  
17 today, you know saying -- telling us what the prototype is.

18 MR. GRIFFITH: Uh-huh. (Affirmative)

19 MS. SHIRLEY: Not us telling them and then we design the  
20 prototype on -- but they have designed. So, I don't know if I -  
21 - if those were questions or comments or just observations, but  
22 thank you for listening Bill.

23 UNIDENTIFIED MALE: (Indiscernible - away from microphone)

24 MR. GRIFFITH: All those comments are appreciated. Maybe  
25 I'll talk briefly about the last one first, the point about

1 having those users really inform the proposal process. I think  
2 that that is something we're looking for in each proposal is for  
3 teams to think about how they can best do that. The idea that  
4 they're going to be working with users right from the beginning  
5 of developing their proposals, getting their ideas on what could  
6 work and what couldn't work and what their concerns might be in  
7 developing a proposal and then going on into the prototype  
8 testing. How are you are incorporating user input, feedback at  
9 every stage of the work? I think that that's key and that's why  
10 we have a couple of different team members that we're asking to  
11 be on every team that have expertise in that and that are going  
12 to be helping to design the approach. How much can a household  
13 manage in terms of hauling water? That's a very important  
14 consideration. I don't think there's probably hardly any  
15 households that can manage to haul 60 gallons per household per  
16 day. Very effectively without a lot of trouble, that's why  
17 we're looking for systems that don't require anywhere near that  
18 much water to be brought into the home everyday. Because that  
19 just -- that's unmanageable and it's unaffordable. Who is the  
20 grantee? We would look at potentially both types of grantees if  
21 there are some community infrastructure improvements that are  
22 needed as far as say, access or sewage hauling equipment, we  
23 would take a look at that. But we would also like to -- if we  
24 can successfully develop individual systems, we'd like to have a  
25 program where individual homeowners could apply for these

1 improvements. And no, they wouldn't be subject to the same kind  
2 of local capacity requirements that communities are when we  
3 fund, let's say a centralized water plant or a wastewater plant  
4 or a lagoon or something like that. We wouldn't have those same  
5 requirements for individual households. There's one over here,  
6 Aaron.

7 MR. DOTSON: This is Aaron Dotson again. The last part  
8 kind of concerns me is that they wouldn't have to have the same  
9 community capacity requirements. There's a potential that these  
10 systems are utilizing technologies that are probably different  
11 to the community or otherwise, maybe, just different or maybe  
12 advanced in some way. Without the capacity, it's unlikely that  
13 they're going to succeed past their origin -- their initial  
14 failure. Other than a cooperative, are there -- is there any  
15 other way the State is trying or going to feed into this  
16 project? How they're going to intend on supporting -- continued  
17 support if the homeowner doesn't have to meet community capacity  
18 requirements?

19 MR. GRIFFITH: I guess the clarification is that we  
20 obviously want to make sure that communities have the capacity  
21 to provide the necessary support to individuals, but individuals  
22 would have requirements than communities would. So, just to  
23 clarify that, so if you're an individual household, there may be  
24 some requirements in order to receive funding for these  
25 upgrades, but that's going to be a different set of requirements

1 that we're thinking about at the community level.

2 MR. RONIMUS: Art again. Over the years, much of the  
3 Federal and State programs has developed around a qualification-  
4 based, RUBA-compliant, another -- other mechanisms so the  
5 community can demonstrate it's ability to manage these systems.  
6 An individual homeowner isn't like that. And so the range of  
7 household size and income size varies tremendously. I foresee  
8 there being a challenge here because some of the -- some  
9 communities are individual homes are poor, don't have the cash  
10 income and so forth. I'm kind of curious if this is going to be  
11 a true public health approach? Or will there be additional  
12 requirements of a means test that you satisfy certain financial  
13 criteria -- your household income, you only have four people in  
14 this household, not 10, I'm kind of curious about the this  
15 system can be as flexible to meet the public health  
16 requirements, yet be inhibited because these people are poor or  
17 they're dysfunctional -- I don't have heat or -- you know, the  
18 real public health need needs to be looked at as far as being an  
19 express requirement, kind of curious what your philosophy is on  
20 that one?

21 MR. GRIFFITH: I don't have an answer to all those things.  
22 You know, some of that depends on what kind of system is  
23 proposed? What kinds of monthly cost are associated with it?  
24 Again, this is where there may be advantages to thinking about  
25 sort of a minimal approach that just has say, sinks and a

1 toilet, versus you know, the full range of services that I guess  
2 are ideal. It might be nice to be able to operate -- offer  
3 individual households a system that provides some real basic  
4 services at a lower cost. So, we do want to take a look at  
5 those kinds of approaches if that's the way that a team wants to  
6 go. And that may be a better fit for some households than  
7 others, so, those are very valid points, but we obviously don't  
8 have that all quite figured out yet.

9 MR. THOMAS: This is Tim Thomas again. Could you clarify,  
10 was the target of 15 gallons per person per day, a requirement  
11 for these proposals to actually demonstrate that? Or.....

12 MR. GRIFFITH: That's -- we call that a target, so you  
13 know, that's because.....

14 MR. THOMAS: (Indiscernible - interrupted) any gallons per  
15 person, per day going to be acceptable? Or it has to be 15? Or  
16 it's not -- the proposal will not be accepted?

17 MR. GRIFFITH: Absolutely not a minimum qualification or a  
18 requirement. It's a target based on some surveys we've done of  
19 health literature that indicate that, you know, the more water  
20 that's used in a home, the healthier people are. The less  
21 incidents that we see of things like, respiratory infections and  
22 skin infections. So we want to be able to achieve that level of  
23 water use, but again it's a target.

24 MS. RODRIGUEZ: It's Caitlin Rodriguez, R-O-D-R-I-G-U-E-Z.  
25 So, I know you -- that at least the impotence for this project

1 seem like a financial decision based on the State. But I was  
2 wondering if you had a sense on any community reach out or, you  
3 know, any request from community for these types of projects?  
4 Because it could really sway how much involvement you would have  
5 to do in surveying or potential community integration of the  
6 project. If you just you have a sense of how much -- if the  
7 community -- was really reaching out and asking for new  
8 technology or if this is purely come from a State financial  
9 decision?

10 MR. GRIFFITH: Well, it's both for sure. We get,  
11 obviously a lot of -- we have a lot of interaction with  
12 community that don't have service and our discussion with them  
13 generally are, you know, they're looking for anyway that we  
14 might be able to come up with that can get running water and  
15 sewer service into homes. What they're familiar with are  
16 centralized approaches, you know, pipe systems, community haul  
17 systems. But we've got individual homeowners we've talked to.  
18 We've got communities we've talked to that are interested in  
19 working closely with the project, and certainly we want to make  
20 all those people and communities available to teams, especially  
21 during the second phase to get their input, feedback. But no,  
22 it's not just -- this idea is not just the State. It's  
23 definitely communities and individuals that want to take a look  
24 at other ways of approaching the problem because they know that  
25 either we can't afford to build it or in many cases they've come

1 to their own conclusions that they can't afford to operate the  
2 kind of technology that's available now.

3 MS. KEISER: Jan Keiser. K-E-I-S-E-R. So the problem is  
4 one we've been trying to address as an industry and as  
5 government officials for decades. And some of the solutions  
6 aren't any closer at hand now than they were decades ago. And  
7 the problem isn't just a technology problem, it's also social  
8 economic, political, policy -- so how are you positioned to  
9 address some of those issues from a systems point of view -- not  
10 just design thinking -- but a system's thinking?

11 MR. GRIFFITH: I don't know that I have an answer to that  
12 one. You know, we'll take a look at it and maybe talk amongst  
13 the Steering Committee and see whether we've got some answer to  
14 that. But I don't have a ready answer to that.

15 MR. SHIRLEY: Jacqueline Shirley. I would just like to  
16 address that gentleman in the blue shirt -- or was

17 UNIDENTIFIED MALE: (Indiscernible - away from microphone)

18 MS. SHIRLEY: Yes. The 15 gallons per capita, per day,  
19 I'm kind of applauding the State because they've actually bumped  
20 it from the 10 for the UN -- that's a minimum public health  
21 standard. The United States we use, citizens, we use almost 100  
22 gallons per day. And so, when I did that research, when I did  
23 get that thing many years ago at ANTHC, the Tribal people in  
24 this State were -- just the minimum standard is good. It's  
25 terrible that we have to accept the minimum instead of the



1 maximum standard. And so, the minimum standard needs to be  
2 there and I applaud that it's -- they bumped it up by five  
3 gallons, you know, because we deserve more than minimum. But it  
4 is hard. There is a social economic -- the most public health -  
5 - the people who need it the most can't afford -- the least,  
6 they're the ones who can't even afford it. And they're the ones  
7 who need it the most. So, that you know -- and, I'm terrible  
8 with names, the lady in the black shirt, those things will --  
9 there will be failure because those issues are not addressed.  
10 The social, the political, those things, the capacity -- the  
11 capacity to dev -- the acceptance, the public acceptance, I  
12 applaud again the State for seeing that. We've been -- some of  
13 us have been beating this door down for many years about that.  
14 And -- but at least find -- you know -- we were talking amongst  
15 ourselves in our organization, that at least it's been addresses  
16 at -- something's not working, let's try something else. But  
17 boy, sometimes you know -- hopefully this won't lead us to  
18 failure this way too. Unless those -- unless the root cause of  
19 the failures are addressed, we're going to fail again.

20 MS. KEISER: I have two questions, an easy one and a more  
21 difficult one. The easy one is, could you describe in a little  
22 more detail what you would like to see in the innovation plan?  
23 Are you actually looking for ideas, suggestions of what would we  
24 approach in terms of the actual technology? Or is it how would  
25 we approach developing it? The second one is, you've mentioned

1 that you have a Steering Committee. We saw that. And you're  
2 putting together some user group teams and you would make these  
3 folks available to the various teams for purposes of collecting  
4 customer outreach, etcetera. So, you could have up to six teams  
5 all approaching these folks. Have you thought about how you  
6 might organize that so that nobody's overburdened by talking  
7 about the same thing multiple times, etcetera?

8 MR. GRIFFITH: Yes, to answer the first question on the  
9 innovation plan, we're not looking for the specific plan to be  
10 presented during phase one. But rather, how you would  
11 incorporate innovation into your plan, whether through team  
12 members or how specifically you're going to be innovative in  
13 your approach. So not -- we don't want to see specific plans in  
14 phase one. And then, how we would expect to incorporate input  
15 and feedback from potential the same set of users? We don't  
16 have all that figured out yet. It all kind of depends on, you  
17 know, how many teams we do end up with, whether we end up with  
18 two of them or six of them. We'd like to have enough of them so  
19 that they're just not bombarded from the, you know, with the  
20 same kind of questions over and over. We'd like to probably be  
21 able to limit that and not overwhelm people, but no, that's  
22 being worked out.

23 MS. SVANDA: I'm Tracy Svanda. S-V-A-N-D-A. And, is  
24 there for the 6,000 underserved or un-served households, has  
25 some companion power supply data been made available? Or is --

1 available to teams to know -- I guess how much energy might be  
2 available for in-home treatment systems? Or whether some  
3 options like heat recovery can be a part of the solution?

4 MR. GRIFFITH: Well we do identify the un-served homes on  
5 the project website, excuse me, un-served communities. Where a  
6 community is defined where less than 55 percent of the community  
7 homes lack running water and sewer. So, you can get a feel for  
8 where those homes are located from that list of un-served  
9 communities. But we don't have any power supply information  
10 available. It's probably up to teams to probably research that  
11 information on their own. As far as heat recovery, probably  
12 just looking at the potential for that within a home as opposed  
13 to a community level.

14 MR. THOMAS: Hi, this is Tim Thomas again. Just a  
15 question about sort of the community engagement components of  
16 this and whether these communities sort of are ready for being  
17 approached, I guess. In conversations with people out in  
18 villages, city administrators -- I've been to a few villages  
19 that don't have piped water. They sort of -- there's this  
20 perception that they're on the list, that sooner or later piped  
21 water will be coming. And if you go to them now and say  
22 actually, you know, you're way down on that list and we need to  
23 start going down another track are -- have you had conversation  
24 with people in these villages that have been identified, that  
25 you know, that need to start thinking along a different road?

1 Or is that going to be confrontational type of discussion if we  
2 go out there and have these conversations?

3 MR. GRIFFITH: So, the question is, you know, what's the  
4 extent of discussions we've had at the community level about  
5 this challenge and the difficulty in providing services. And it  
6 obviously varies but we've had a number of those kind of  
7 conversations with communities. And what we've told a lot of  
8 them is that we don't see that we have a feasible way of  
9 providing services to homes in your community. A washateria is  
10 going to be an important part of service in your community for  
11 years to come and we're working on developing new ways,  
12 potentially, or providing service to individual homes. So, we  
13 have had that discussion. It's generally not confrontational.  
14 I don't think it comes as a shock to a lot of communities that  
15 we don't have an affordable way of providing service, especially  
16 when we're able to provide information about the kind of capital  
17 cost and operational cost that would be associated with a  
18 centralized system. So, it's more -- the challenge is more just  
19 being able to have the discussion. Being able to get out there  
20 and talk to people and share the information we've got. I think  
21 people understand the difficulties. They're obviously anxious  
22 for us to try to come up with some new approaches, but you know,  
23 what we're trying to do is have that discussion with as many  
24 communities as we can. And we've had it with a number of them,  
25 but you know, not all of them. We've got roughly between 30, 40

1 communities that don't have service at this point. Now, about  
2 10 of those we've got active projects going on to provide  
3 centralized systems. So, at the end of that -- at the end of  
4 those projects we'll have about 30 communities that don't have  
5 service and we don't have a good solution to providing service.  
6 And I'd say, I don't know, maybe a third to half of those, we've  
7 begun to have this discussion, but not every one of them. I  
8 mean the level of engagement in those communities varies. Some  
9 of them are really engaged and really working closely with us  
10 and obviously would be good candidates for some teams to be  
11 talking to. Other ones at the community level are just less  
12 involved. At this point, they're working on other things  
13 besides water and sewer as their top priority.

14 MR. RONIMUS: Art again. I think the gold -- my opinion,  
15 the gold standard for delivery of services has been a piped  
16 systems. That seems like it's a universal type of acceptance.  
17 And the interest I have here is that setting up another standard  
18 for performance within the home, and where you are giving up on  
19 optimizing the delivery of piped systems essentially, giving up  
20 to whatever the circumstances are for very difficult locations  
21 that pipe cannot support and this is quote another hope and I'm  
22 kind of curious about if the pipe system and the haul systems  
23 have been optimized to a point where they have reached a finite  
24 return and this remedy is something that is the last option  
25 available, not as good. Maybe more expensive, because many of

1 these other have been advanced with great hope and they many of  
2 the requirements, but financial and O and M and things like that  
3 have fallen down. What would make these systems any different  
4 in terms of the approach?

5 MR. GRIFFITH: Yes, I don't really think that we've seen a  
6 kind of decentralized system be proposed and tried out that has  
7 proven successful. I agree with you that pipes are the gold  
8 standard but -- and it's certainly not a case of not being,  
9 technologically, being able to provide service. We know that you  
10 can build a pipe service anywhere, it's just the matter of  
11 having the money to be able to build it in the first place and  
12 then that kind of money being in the community long-term to be  
13 able to operate it. Those have really proven to be the  
14 challenge, it's not a technological problem so much, it's  
15 related to just the cost of providing what we've got available  
16 to us. So, I don't think we've really seen the kind of  
17 individual systems that have been proven to be successful over  
18 time. There are systems out there that you can buy off the  
19 shelf, but I don't think that they've really shown to be -- work  
20 in Alaska. The other problem is that a lot of the products  
21 available are just available by components. So, it's up to an  
22 individual homeowner to shop around and find something that  
23 would work for water treatment and something else for wastewater  
24 treatment and try to put it together and just from a, sort of a  
25 -- individual household capacity, that's just too much for most

1 people.

2 MR. RONIMUS: (Indiscernible - away from microphone) these  
3 are important questions. The other approach that you've Stated  
4 is it seemed like you want something that's fairly universal.  
5 And maybe one-size fits all, but I think we've all come to know  
6 that solutions are local. Very dependent on conditioning of the  
7 home, the community, and I'm just kind of curious that element  
8 of design or operation or ownership? I just can't see a one-  
9 size fits all debility -- water treatment, wastewater treatment  
10 -- we know how specific those become. So, I'm just kid of  
11 curious if this is the generic approach one-size fits all,  
12 universal application? Or are you thinking more specific site  
13 conditions, home conditions, etcetera?

14 MR. GRIFFITH: Well again, you're talking about kind of  
15 the ideal in terms of a target. It would be wonderful if we  
16 came up with a one-size fits all, but I have to agree, I think  
17 what we're likely to end with -- and that is -- it's more than  
18 that. It's more than one system. And some systems it'll work  
19 better in other places than others. And that's part of why  
20 ultimately we'd like to move ahead into obviously proposal  
21 developments with ideally six teams and then look at field,  
22 sorry, prototypes and field-testing with up to three teams  
23 because it's part of the expectation is that we may end up with  
24 some systems that work in some places best and others that work  
25 other places. And I think ultimately, what's going to work is

1 more than one approach.

2 MR. ALLEN: Tim Allen. A-L-L-E-N. The criteria for  
3 customer's ability pays at \$135 a month. That's a nice  
4 quantitative figure, you know, engineers like that, they can hit  
5 those numbers. Is there any research by either Village Safe  
6 Water ANTHC about customer willingness to pay for water and  
7 sewer? And how much they're willing -- and it's going to be a  
8 range of course -- how much they're willing to pay for that  
9 service? You know, in our world here in Anchorage, it's not a  
10 discretionary spending. You have to do it. Out there in the  
11 villages, it's -- that's discretionary spending so, you know, we  
12 have a budget number based on average, a percent of average  
13 income. But do we have any feel for what those customers are  
14 willing to pay for that service?

15 MR. GRIFFITH: Uh-huh. (Affirmative) So the question is  
16 about customer willingness and ability to pay for service. And  
17 we do have a fair amount of experience with this because we  
18 obviously have to look at that every time we decide to fund a  
19 centralized system, whether it's pipes or haul. And then we  
20 have experience through the RUBA Program and through our remote-  
21 maintenance worker program, evaluating how well communities are  
22 about to operate and maintain their systems. And how well  
23 customers are able to pay their monthly water and sewer bills.  
24 And that's really where that five percent of MHI come from. We  
25 think that's the breaking point for a lot of homes in rural



1 Alaska, is somewhere round that number like you say, there are  
2 homes that can afford more than that and there are homes that  
3 can't afford five percent of their household income based on,  
4 you know, what that income is. But it -- our experience is that  
5 when utility's centralized systems charge more than that -- much  
6 more than that five percent, it becomes a real challenge for  
7 those homeowners to pay it. And when they can keep their price  
8 under that, it's a lot easier for people to afford it. So, you  
9 know, that number is actually quite high compared to Anchorage  
10 or the Lower 48. It's pretty much unheard of for homes to pay  
11 that much for water and sewer service elsewhere, but it seems to  
12 be a good estimate of what's affordable in rural Alaskans.

13 MR. RONIMUS: (Indiscernible - away from microphone)  
14 pester you with these things here. One of the nice things about  
15 pipe systems, at least in rural Alaska and here in Anchorage is  
16 literally unlimited use of water and wastewater. Doesn't  
17 matter, household income, it doesn't matter the population in  
18 the home, uses in the home, how much water you use. But when it  
19 comes to these haul systems and or on-site systems, the  
20 capability of use is dras -- is fundamentally paired with  
21 abilities to -- of money and hauling and so forth. So it's a  
22 dramatic change in how homes would provide service to themselves  
23 as to a community product. So it's going to be limited by money  
24 or conditions or circumstances very different than what we have  
25 on a pipe system. I'm kind of curious, you could put this in a

1 home and it can be abandoned the next day. I mean, it  
2 literally, those kind of investments could go to not -- and  
3 public health benefits not be realized. I'm kind of curious how  
4 that demand changes the design? At least the philosophy  
5 approach.

6 MR. GRIFFITH: Uh-huh. (Affirmative) Well, obviously, you  
7 know, you can imagine all kinds of systems and some of which  
8 would, like you say, potentially be abandoned the day we install  
9 it. So, that kind of system wouldn't be one that we want to  
10 move forward with very far. The idea that use is necessarily  
11 directly related to cost really depends on the system. A system  
12 that utilizes recycling to a greater extent, there may be a less  
13 direct relationship. But, you know, the best example of where a  
14 use is directly proportional to cost, obviously is a system  
15 where you're paying for every gallon that's hauled in and every  
16 gallon that's hauled out. But if we got a system where, you  
17 know, the electrical cost, let's say, is nominal for the cost of  
18 recycling or something when -- then you can begin to sort of  
19 delink that direct relationship with use and cost. And  
20 obviously a system that's able to achieve that to a greater  
21 extent is preferred. So, I think, you know, you're absolutely  
22 right. I can well imagine a system that we see decreased use  
23 because of increase cost. And we're trying to overcome that to  
24 the greatest extent possible through reuse, recycling and  
25 minimization.

1           MR. TSIGONIS: That is a great concept. The reuse concept  
2 and I don't think anyone would have a problem with reusing water  
3 for toilet flushing. But when it comes to your secondary goals  
4 of clothes washing and showers, I imagine what may happen, teams  
5 go out and they interview the end users and the end users say,  
6 yes, I'll reuse water for my toilet, but that's it. I'm not  
7 going to -- that's yucky, I'm not going to reuse that for  
8 anything for my clothes or showers. So then that kind of puts  
9 another constraint on us. You know, I personally have drank  
10 recycled water, sewage effluent, down in California at the L.A.  
11 -- at this huge treatment plant and I had high confidence that  
12 it was -- it met the drinking water standards, no problem. But  
13 when you're in an individual home and you, the homeowner, who  
14 actually knows very little to nothing about wastewater treatment  
15 or drinking water treatment, are expected to operate or just at  
16 least oversee your system, you're confidence level is not going  
17 to be very high I imagine. So what happens to the project when  
18 the end users say to all the teams forget it, I'm not using that  
19 treated effluent?

20           MR. GRIFFITH: Well that's kind of the whole challenge  
21 here is to what extent can water be reused and to what extent do  
22 we believe and can we be able to demonstrate that people will  
23 accept that kind of reuse? And like you say, there's kind of  
24 some easy things we think we could achieve, things like toilet  
25 flushing. And there's probably some things that we don't have

1 much hope of achieving like, you know reusing toilet water and  
2 treating it and asking people to drink it. Okay, so there's  
3 kind of two extremes there. Something we think we can easily  
4 achieve and something we probably think is a bridge too far no  
5 matter what. But there's a lot of things in between. You know,  
6 there are recycling technologies out there where people are  
7 using recycled water from their shower only for their own  
8 shower. And you know, people sit in a bathtub for an hour and  
9 essentially use the same water. Would they be willing to do the  
10 same thing with their shower water? That's the kind things  
11 that, you know, we would like people to take a look at. What  
12 are the things in between the easy to achieve reuse and the  
13 impossible to achieve reuse? Are there things in between that  
14 can make an approach like this work? And how do you work with  
15 end users to determine what they're willing to try -- and what -  
16 - they're just not going to be able to do? Even with some  
17 education and some input into the development of the approach.  
18 So, you know, I can't tell you what's possible. I can tell you  
19 what's out there and we've seen some of it in use in other  
20 places and people seem to be okay with it. But whether it will  
21 work here in Alaska, that's what we're out to find out.

22 MR. BARON: Hi. Yes, it's Kilby Baron. I guess I got --  
23 first comment on the reuse. I think it's going to be  
24 interesting for sure, besides the toilet though. I would wonder  
25 about the reuse and how many times do you reuse it? And how do

1 you tell what water is being reused three times? What water is  
2 being reused eight times? That's -- you know, there's a lot of  
3 technology I guess that might help you with that, but that will  
4 be investigated. The question I did have though, back to the  
5 scope, and the size of the market here, the 6,000 homes perhaps  
6 and as I'm listening to things, I'm thinking about the operation  
7 and maintenance cost of existing systems. And then the -- let's  
8 say abandonment or the homeowners that aren't up keeping with  
9 their costs and stuff, so the market might be a lot bigger here  
10 because if we, through this study, can find some good in-home  
11 technologies, we can retrofit houses that have already achieved  
12 systems but they're not really being utilized. And I think  
13 you'd get a lot of health benefits obviously from that.

14 MR. GRIFFITH: Yes, I agree, we definitely see that as a  
15 potential market or application of systems that could be  
16 developed, are some of the homes that are -- at one point had  
17 service maybe don't at this point for some reason or maybe can't  
18 maintain that system affordably -- that service affordably. So,  
19 I think it's bigger than the 6,000 homes.

20 MR. ALLEN: Tim Allen again. Cowater. Bill, rather than  
21 have each one of these different teams run out and try to survey  
22 and assess the acceptability of recycled water, and we're each  
23 going to have different approaches, different constructive  
24 survey and statistical analysis, etcetera, etcetera -- and of  
25 course the answer is going to be full acceptance of whatever

1 recycling program we propose. Why isn't the State doing that  
2 ahead of time? Rather than have four or five different  
3 companies out there proving that recycled water, is fully  
4 acceptable to the population it's going to be imposed upon.

5 MR. GRIFFITH: Well, for -- one answer to that is just  
6 that we don't know the specific kinds of approaches that might  
7 be developed. Again, you know, we kind of have pretty good  
8 sense of what we think people would readily accept and what they  
9 wouldn't accept, but there's an awful lot of grey area in  
10 between and we want to see what teams come up with. But  
11 ultimately, they're going to have to be able to demonstrate to  
12 us that people can accept it and will use it. And that's  
13 obviously a big part of the field-testing phase, but even prior  
14 to that we'd be looking to see how you've incorporated input  
15 from communities and individuals, and those that really seem to  
16 have a good handle on how top do that and how to do it  
17 effectively and have team members who have demonstrated that  
18 they have that kind of experience. We're going to score higher.  
19 But, we just don't think there's any way to say this is the kind  
20 of recycling that we're going to come up with. I think there's  
21 such a wide variety of ways that that could happen. That can't  
22 really do it ahead of time. We do see that it's happening  
23 around the world in different places in different ways, so you  
24 know, people are accepting it. But, I just don't know what kind  
25 of a combination of technologies people might come up with for

1 Alaska.

2 MR. ALLEN: Well the technology will certainly vary, but  
3 the output of the recycled water has to be some kind of a  
4 numeric standard.

5 MR. GRIFFITH: Well that standard will differ depending on  
6 the use though, I mean what you're going want to have for  
7 quality for hand washing is going to be different than a toilet.

8 MR. RONIMUS: I promise this will be the last one, kind of  
9 a clencher maybe. But the measure of success for something of  
10 this magnitude, I'm curious whether you'd be thinking  
11 epidemiologic or other public health evidence that you're  
12 succeeding and accomplishing the public health mission that you  
13 say is part of the objective here, whether its hand washing or  
14 water use or infectious diseases. I'm kind of curious about the  
15 longer-term prospect of this and how this might be incorporated  
16 in the program?

17 MR. GRIFFITH: Well, it's definitely part of what we're  
18 looking at. Obviously, the bottom line is that we want to  
19 achieve improved health from the provision of running water and  
20 sewer. I mean that's kind of the whole purpose of this. And  
21 ultimately want to see whatever kind of systems we may develop  
22 be part of future health studies. Just like we have been able  
23 to look at pipes service versus hauled service versus no service  
24 with just a washateria. We -- that's part of the ultimate goal  
25 and what we'd expect to see.

1 MS. KEISER: Jan Keiser. You must have reams of research  
2 and data reports and status reports and documentation to lessons  
3 learned and best practices and data going back decades. Do you  
4 have some kind of a bibliography that you can make available on  
5 the website so we just know what's available so we don't have to  
6 sort of start from scratch in collecting that stuff? I think a  
7 thorough literature review would be important to understand what  
8 the status is and where you've been and what you've been  
9 thinking about the last number of years.

10 MR. GRIFFITH: Yes, actually we've been working with  
11 Arctic Research Commission. They've been trying to put together  
12 kind of retrospective of different technologies that have been  
13 tried and what some of the experiences with that and I know  
14 they're working on getting that made available to us so we can  
15 post it on the project website. And we're still hoping to do  
16 that and -- prior to the November deadline for the project  
17 submittals.

18 MR. WILSON: Dave Wilson. Just a couple quick questions.  
19 The 6,000 homes that you refer to, geographically, are they in  
20 the lower Yukon-Kuskokwim Delta primarily, or the Arctic Slope,  
21 the Kobuk Valley, I mean, where -- what I mean, what about the  
22 Alaska Peninsula? I'm just kind of curious.

23 MR. GRIFFITH: Well, they're all over is the answer. I  
24 mean, there's not just one place. But, like I said, the  
25 majority of them I would guess well over 50 percent are either



1 in the Yukon-Kuskokwim Delta or in the Interior villages. I  
2 don't have the exact number, but again, you know, those villages  
3 that don't have centralized systems, those are identified on the  
4 project website so you can get a look at where those are. But  
5 there are un-served -- there's lots of un-served homes in  
6 communities with centralized systems. Not every home is hooked  
7 up where there s a pipe system or haul system. So, there's  
8 homes everywhere, but obviously the majority are in communities  
9 that don't have service and those communities you can see a list  
10 of them on the project website. And most of them are in YK  
11 Delta or in the Interior.

12 MR. WILSON: All right. There's a significant variation  
13 in the logistical challenges depending on the where the places  
14 are, especially operating temperatures. And there was a young  
15 lady up here that asked earlier about consistent availability of  
16 electricity and I know that that varies significantly depending  
17 on the community. Is that an assumption that there will be a  
18 reliable source of electricity for a certain demand?

19 MR. GRIFFITH: Yes, well it certainly is a requirement  
20 that -- and an expectation that the home will have electrical  
21 service. But, I mean as you point out, some of the consistency  
22 of that service does vary from community to community, so you  
23 have to factor that in to ultimately the design and maybe some  
24 of the electrical protections that incorporate into your  
25 approach. But we do expect that we're not going to be providing

1 service to any homes that lack electrical service.

2 MR. WILSON: Okay, just a follow up on that. I understand  
3 that there are communities that are supposed to, and probably on  
4 your records have reliable, electrical service, but in reality,  
5 that just doesn't exist. And so if you have a system that  
6 depends on that reliability, there's going to be predictably a  
7 lot of failures. And as you mentioned earlier the -- be able to  
8 move on from a freeze thaw standpoint is going to be a  
9 significant factor. The other question I have is more trend I  
10 guess, there is a significant trend for some of these  
11 communities to change and move. The price of heating oil is  
12 pushing 10 bucks a gallon in a lot of places. It's causing a  
13 lot of members of the smaller communities to move to the bigger  
14 ones. The size and the area around Bethel, I mean, not to exert  
15 community, it's just a fraction of what they were years ago.  
16 Anyway, I believe that there are communities that we're looking  
17 at now that may not be you know, much more than just a remit in  
18 a few years because it costs a living, transportation,  
19 everything is just going through the roof. And then there is  
20 other communities that are growing really because of influx,  
21 commerce, so on and so forth, specifically the chain. Is that  
22 something that's being considered?

23 MR. GRIFFITH: Well, I don't know specifically how we're  
24 considering it. We're certainly aware of that as well, we've  
25 seen that kind of population shifting going on too. And I agree

1 it's very hard to put your finger on which communities are going  
2 to be around and sort of thriving you know decades from now.  
3 And there's a lot changes going along, a lot of people moving,  
4 whole communities looking at relocating. So, I guess we're just  
5 aware of that and sort of watching it, but I don't know that we  
6 specifically that we've incorporated that consideration into our  
7 approach.

8 MS. KEISER: It would be very helpful if we could get a  
9 list of the sign-ins, the copy of the sign in sheet or something  
10 on the website as soon as possible rather than 10 days or so  
11 you're going to take to respond to written questions so that we  
12 can continue our team building process.

13 MR. GRIFFITH: Uh-huh. (Affirmative)

14 MS. KEISER: Thank you.

15 MR. GRIFFITH: And we can do that, and I think we had  
16 asked that people that call in -- would you like them to email  
17 you?

18 MS. LOVE-HESTNES: Yes please, those on the line, if you  
19 could email your participation, I'd appreciate that. This is  
20 Sonja Love-Hestnes.

21 MR. GRIFFITH: And we'll make that available. Any final  
22 questions? Phone?

23 MS. SHIRLEY: Jacqueline Shirley, Zender Environmental.  
24 So, VSW -- you guys are in like really close partnership with  
25 other State entities, because to address, you know like energy

1 costs and the electricity reliability. You know, right now I'm  
2 in middle of a compost toilet project in Chefornak. Chefornak  
3 will never qualify for a pot water system because of the  
4 quantity and the quality of the ground water. The -- that  
5 village will never be on any list. They're no even on the  
6 bottom of a list. And you know, there was a great composting  
7 system that, you know, that we tested out there. However, you  
8 know, when you're talking about 68 cents a kilowatt-hour to keep  
9 that composting unit at 55 degrees for it to work, when in rural  
10 Alaska we don't have basements because of the permafrost, in our  
11 land we build on stilts, to you know -- I mean it -- you know,  
12 it from, you know, \$135 electricity bill to 600 and so of course  
13 my project had to reimburse those homeowners, I mean, that was  
14 crazy cost. You know -- you know, 68 cents a kilowatt-hour is,  
15 you know, we need to be sure and have our P -- the PPC -- E  
16 Program -- the other State agencies involved. The electricity,  
17 wow, you know -- and they're so used to it, you know. The  
18 electricity goes down because it's a diesel generated power  
19 system that they have. Their electricity goes out three or four  
20 times a day. And that's normal to them. So, they might not  
21 even realize if you go say, well yes -- you know, but when you  
22 have a compost in the system, all of a sudden those -- you know,  
23 because the fans quit working and then, you know, the whole  
24 household was -- smelled liked compost toilet, which was very,  
25 very disheartening to the homeowners. Poor things. But, yes,

1 these -- hopefully some of the engineers who are in here --  
2 these are a lot of variable and factors. And I hope that the  
3 State does put the resources together, you know, in a timely  
4 fashion with all these sources, you know, because there is so  
5 many designs factors and so many considerations, you know. The  
6 capacity of the homeowner, the willingness of the homeowner, the  
7 town meetings, the community buy-in, how much it costs for --  
8 just for, you know, one hour of electricity, you know. And how  
9 -- the freeze and thaw, those Canadians who designed the box to  
10 keep my compost unit itself, because it was a remote compost  
11 unit. They thought they were doing a good job, you know,  
12 they're from an arctic country too, you know, Canada. They  
13 triple insulated that box. They designed that box specifically  
14 -- oh, we're going to design you a perfect arctic box. Well,  
15 we're even going to put heating tape around that thing. That's  
16 where the electricity went up to 600 bucks a month. But, wow,  
17 there's a lot of -- and you know, you -- we've been around a  
18 long time doing this Bill.

19 MR. GRIFFITH: Uh-huh. (Affirmative)

20 MS. SHIRLEY: You know. And these, you know, so there is  
21 a lot of considerations and the points that you gentlemen and  
22 ladies have brought up here today are very true and there's a  
23 lot of backdoor things and it is different working with Tribal  
24 communities here in Alaska -- rural Alaska. There's a cultural,  
25 it's -- ways we think about things to that need to be addressed

1 and how we think about how a man and a woman manage their  
2 household. You know, how -- they have pride and responsibility  
3 that they feel too. You know, you go in and tell them that what  
4 they're doing now is not good enough for them. That's already,  
5 you know, putting something on their head and heart. What  
6 you're doing now is not good enough for your public health, for  
7 your family. That's what we're saying to them. So already  
8 there's that step right -- there's that we're telling them.  
9 From the very get-go. Before we design anything, before we even  
10 help them. What you're doing right now is not good enough. But  
11 I thank you all for, just by your questions and your comments, I  
12 could tell that maybe it'll be okay -- it'll work and I thank  
13 you all. Quayana.

14 MR. RONIMUS: Sorry. Question of liability being that  
15 you're in the home and the risks of potentially recycling water  
16 and being in contact with used water. I was kind of curious on  
17 how the State would approach indemnifying the systems in ways  
18 that it will not be the subject of some litigation or liability  
19 that it caused an illness in this household because of something  
20 happening due to the -- this unit being in service or in place  
21 or malfunctioning in some other way? So, I'm kind of curious  
22 how that might be handled?

23 MR. GRIFFITH: I don't have the answer to that right now.  
24 I'll -- maybe I've reach that point on some of the questions. I  
25 -- we don't know yet. That's obviously something we'll have to

1 think about.

2 MR. ALLEN: There's a huge a question in Canada right now  
3 today, there's a First Nations Villages suing over water quality  
4 and they sued the Federal government because that is who.....

5 MR. GRIFFITH: That's who provides the service.

6 MR. ALLEN: .....and the companies that are -- that have  
7 offered to come in and look at their water treatment situation  
8 have said, well we want to be indemnified against being sued by  
9 First Nations. And the Federal government can't, or isn't, able  
10 to -- (Indiscernible - away from microphone)

11 MR. GRIFFITH: Not many.

12 MS. LOVE-HESTNES: Any other questions either online or in  
13 the room? Well I knew this was going to be a challenge, but I  
14 have new respect for the project. It's definitely going to be a  
15 challenge. Thank you Bill, good job. Just as a reminder, if  
16 you have not signed in, there is the sign up sheets at the back  
17 of the room outside. And, I do want to say if you leave this  
18 meeting and you have another question, you have until tomorrow  
19 close of business five o'clock to be included with these  
20 questions and answers. And these will be online along with the  
21 transcription as an addendum. Those who registered will be  
22 notified. Again, I recommend that you register the RFP with me.  
23 If you have any additional questions after this deadline, please  
24 direct those in writing to me. Please don't contact Bill. He's  
25 only going to refer you to me.

1 MR. GRIFFITH: Nobody's calling me.

2 MS. LOVE-HESTNES: Okay. The next set of questions will  
3 be due by October ninth for the next Pre-proposal meeting, which  
4 is scheduled for October 16<sup>th</sup>. Please check online prior to  
5 that meeting, or register. And if there's any addendums, I will  
6 provide those as notification. Otherwise, thank you very much  
7 for your participation. It was very interesting and I can see  
8 we have a challenge. Thank you.

9 (Off record at 11:05 a.m.)

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**TRANSCRIBER'S CERTIFICATE**

I, Natalie Gil, hereby certify that the foregoing pages numbered 3 through 72 are a true, accurate and complete transcript of proceedings of Alaska Water and Sewer Challenge Pre-proposal Conference for the Alaska Department of Environmental Conservation, held September 17, 2013, in Anchorage, Alaska, transcribed by me from a copy of the electronic sound recording to the best of my knowledge and ability.

\_\_\_\_\_  
Date Natalie Gil