

BEFORE THE IDAHO WATER RESOURCE BOARD

IN THE MATTER OF MOUNTAIN HOME AIR
FORCE BASE SUSTAINABLE WATER SUPPLY
PROJECT

RESOLUTION TO CANCEL THE BOARD'S
DESIGN-BUILD-OPERATE SERVICES
PROCUREMENT AND TERMINATE OWNER'S
ADVISOR CONTRACT

1 WHEREAS, the Idaho Water Resource Board ("Board") is a constitutional agency of the State of
2 Idaho and empowered by Idaho Code §42-1734 to acquire, purchase, lease or exchange land, rights, water
3 rights, easements, franchises and other property deemed necessary or proper for construction, operation
4 and maintenance of water projects; and
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6 WHEREAS, the Mountain Home Air Force Base ("Base"), as well as surrounding agricultural wells
7 and municipal wells, draw their supply from the Mountain Home Aquifer; and
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9 WHEREAS, the Idaho Department of Water Resources ("IDWR") estimates that the rate of
10 withdrawal from the Mountain Home Aquifer exceeds the rate of natural recharge to the aquifer and due
11 to declining ground water levels, IDWR established the Cinder Cone Butte Critical Ground Water Area in
12 1981 and the Mountain Home Ground Water Management Area in 1982; and
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14 WHEREAS, the State of Idaho recognizes the economic value of the Base to the local and state
15 economy and supports the United States military in achieving its national security functions; and
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17 WHEREAS, the Board purchased senior Snake River water rights and is coordinating with the Base
18 to develop a pipeline and water treatment plant to deliver treated Snake River water to the Base as a
19 long-term sustainable water supply to support the Base and its mission; and
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21 WHEREAS, the Board contracted for Owner's Advisor services on March 24, 2017 to assist the
22 Board with project development and procurement of a Design-Build-Operator (DBO) for the project; and
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24 WHEREAS, the Board began negotiating with the Base in June of 2017 on a utility service contract
25 (USC) that would formalize the utility relationship between the Base and the Board; and
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27 WHEREAS, the Board prepared a request for qualifications (RFQ) for DBO services based on the
28 USC negotiations; and
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30 WHEREAS, the Board issued the RFQ and received four responses that were eventually short listed
31 to three qualified proposers that would have been invited to respond to a Request for Proposals (RFP);
32 and
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34 WHEREAS, after initiation of the Board's DBO procurement process, the Base issued new terms
35 to the USC that did not coincide with the project as specified in the RFQ necessitating cancellation of the
36 procurement; and
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39 WHEREAS, the Owner's Advisor services were specifically obtained to assist with the DBO
40 procurement process including collection of water quality data, geotechnical investigation, topographic
41 survey, and preparation of the specifications for the RFQ and RFP; and
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43 WHEREAS, the Owner's Advisor has completed all assigned data collection activities and is
44 finalizing a report of the 2018 pilot testing which will complete the Owner's Advisors contract; and
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46 WHEREAS, significant progress has been made by the Board in developing the project including
47 securing a water supply from the Snake River, gathering preliminary design information, and executing
48 the Right-of-Way Grant from the Bureau of Land Management establishing the pipeline corridor from the
49 C.J. Strike Shoreline to the MHAFB; and
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51 WHEREAS, the Board continues to coordinate with the Base, the Office of the Governor, Idaho's
52 Congressional delegation and legislators to identify an alternative option for delivery and construction of
53 the project; and
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55 WHEREAS, the funding authorized by the Board to date has been \$5.765 Million and expenditures
56 will be \$5,329,844.76 upon canceling the DBO Services Procurement and terminating the Owner's Advisor
57 Contract;
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59 NOW, THEREFORE BE IT RESOLVED that the Board cancel the DBO Services Procurement because
60 project specifications set forth in the RFQ have been altered as a result of the new terms presented by
61 the Base in the USC such that the DBO Services Procurement cannot be carried out in the manner
62 anticipated; and
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64 NOW, THEREFORE BE IT RESOLVED that the Board terminate the Owner's Advisor Services
65 Contract Phase II upon the submittal of the final 2018 pilot study report.
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67 DATED this 27th day of September, 2018.
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70 _____
71 ROGER CHASE, Chairman
72 Idaho Water Resource Board
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76 ATTEST:
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79 _____
80 VINCE ALBERDI, Secretary