



**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

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C2311009

Juan and Jessica Gutierrez,

Complainant

vs

California American Water Company
(U210W),

Defendant.

And Related Matter.

C.23-11-009
(Filed November 6, 2023)

Case 24-05-006
(Filed May 3, 2024)

(Consolidated)

**CALIFORNIA-AMERICAN WATER COMPANY'S REPLY COMMENTS
REGARDING PROPOSAL FOR INDEPENDENT
ENGINEERING REVIEW**

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December 30, 2025

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**CALIFORNIA-AMERICAN WATER COMPANY’S REPLY COMMENTS
REGARDING PROPOSAL FOR INDEPENDENT
ENGINEERING REVIEW**

Pursuant to the authorization granted by California Public Utilities Commission (“Commission”) Judge Garrett Toy via email on December 22, 2025, California-American Water Company (“California American Water”) hereby replies to the (1) *City of Pasadena’s* (“City’s”) *Proposal and Statement of Compliance Filing Pursuant to Administrative Law Judge Ruling Setting Proceeding Schedule for Engineering Analysis*, served December 15, 2025 (“City’s Comments”) and (2) *Comments by Juan and Jussica Gutierrez* (“Complainants”) to *California-American Water Company’s Proposal for Engineering Analysis, and Proposed Modifications to The Proposal*, filed December 15, 2025 (“Complainants’ Comments”).

I. INTRODUCTION

The Commission should keep the independent engineering review a professional matter led by an experienced engineering firm. It should not accept the Complainants’ invitation to turn the review into another front where the parties battle and the independent engineers must play the part of mediator and judge. On December 8, 2025, California American Water provided the

Commission with the proposal of Michael Baker International (“Michael Baker”) for an independent review to address safety concerns with the Oak Knoll Reservoir.¹ Michael Baker submitted its Proposal in response to a Request for Proposal (“RFP”) put out by California American Water. (The RFP is included as Attachment 1 to these comments.) California American Water’s RFP closely tracked the issues raised in the September 25, 2024, *Assigned Commissioner’s Scoping Memo and Ruling* (“Scoping Memo”).

In adopting Michael Baker’s proposal, California American Water agrees with certain changes as to procedure set forth by the City. These include the use of a phased approach for the review and providing parties with interim reports to keep the parties up to speed on the review’s progress. In addition, and in the spirit of cooperation and to move this review process along, California American Water would agree to the City’s proposed scope with some small changes. Those changes and the justification for them are set forth in Attachment 3 to these Reply Comments.

Finally, the Commission should disregard Complainants’ Comments and proposed Scope. Complainants wrongly allege that Michael Baker’s proposal fails to track the issues in the Scoping Memo. A review of the RFP and Scoping Memo makes clear that Michael Baker’s proposal is based closely on the Scoping Memo. Complainants also wrongly attempt to remove any time element from the review. Removing such an element would deprive the Commission of essential information needed to assess risk. Finally, Complainants proposed scope is rife with efforts to turn the independent review process into a party-driven partisan project. The Commission should decline Complainant’s request to do so.

The Commission, therefore, should adopt Michael Baker’s August 28, 2025, Proposal, with the minor modifications suggested by the City and agreed to by California American Water, as the scope for the independent review ordered in this proceeding.

¹ *California-American Water Company’s Proposal and Statement Compliance Filing Pursuant to Administrative Law Judge Ruling Setting Procedural Schedule for Engineering Analysis*, Attachment 1, December 8, 2025 (“Proposal”).

II. BACKGROUND

After coordinating with all parties and the lead engineer from Michael Baker, California American Water setup a virtual meeting on December 5, 2025. This provided parties with the opportunity to meet with two engineers from Michael Baker and ask those engineers questions about the firm's experience, qualifications, and the Proposal. This included asking the engineers about the scope of work Michael Baker provided to California American Water and California American Water then filed with the Commission on December 8, 2025. The meeting went over the initially allotted hour, with parties (mainly the Complainants) asking many questions and receiving extensive responses from Michael Baker's engineers.

Following the meeting with Michael Baker, the parties met to try to settle on the scope of the independent engineering review. At the end of the discussion, all parties agreed California American Water would circulate a Word document with specific sections from Michael Baker's proposed scope of work, which included work to be performed by both Michael Baker and its geotechnical subcontractor, Hushmand Associates, Inc. This would allow the parties to provide their suggested edits in track changes format. As agreed, California American Water circulated the Word document to the parties later the same day. On the following Monday, December 8, the City provided its suggested edits to the Word document. On December 8, the Complainants stated they "disagree with the scope," particularly the "employment of a time factor in evaluating the risk of harm from an earthquake and the steps (interim and long term) that should be taken to mitigate that risk."² The email further stated that Complainants saw no point in redlining the text of the Word document, and they would, instead, submit comments to Judge Toy.³ Then, on the afternoon of the Friday before the Monday filing of their comments to Judge Toy, the Complainants surprisingly circulated their own proposed scope, which differs markedly in many ways from that proposed by Michael Baker and the issues in the Commission's Scoping Memo.

² The Gutierrezes's December 8, 2025, email is included as Attachment 2 to these Reply Comments.

³ Ibid.

III. DISCUSSION

A. The Commission Should Adopt the Scope of Review Proposed by Michael Baker Because It Properly Addresses the Issues Raised in the Scoping Memo

California American Water did not formulate the scope of work it filed with the Commission on December 8, 2025. Michael Baker did. Michael Baker prepared that scope of work in response to California American Water's July 10, 2025, RFP. A comparison of the RFP and the Scoping Memo makes it clear that California American Water's RFP closely tracks the issues identified in the Scoping Memo.

1. The Scoping Memo

The Scoping Memo sets the parameters for the independent engineering review. The Memo states "[i]n resolving issues 1 and 2, it will be necessary to gather evidence including engineering analysis and opinions." The relevant portions of issues 1 and 2 from the Scoping Memo state:

1. a. What are the potential risks, if any, from earthquake on the Raymond Hill Fault that could damage the Reservoir?
b. How likely are these risks? Are the risks above and beyond acceptable engineering standards?
2. Should the Commission order California American Water Company to take corrective action to ensure the safe operation of Oak Knoll Reservoir and comply with Public Utilities Code Section 451? If so, what measures should be taken?
 - a. Does the current water level at the reservoir resolve any potential safety concerns due to a potential earthquake? Should the water level be further reduced?
 - b. Will the proposed K-rail barrier resolve any potential downhill flooding issue caused by a potential earthquake?
 - c. Does California American Water Company's proposal to build a new subterranean tank to replace the Reservoir resolve any current and/or ongoing issues, once completed?

2. Michael Baker's Proposed Review

The Project Description (reprinted below) in the RFP identified the issues for review. A comparison of these issues with those taken from the Scoping Memo (and reprinted above)

shows just how closely California American Water based the issues for the RFP on those in the Scoping Memo. Issues listed in the RFP:

Current Oak Knoll Reservoir

- Risks: What are the risks, if any, an earthquake on the Raymond Fault could damage the current reservoir during
 - its remaining useful life (approximately 4-5 years),
 - if the reservoir remains in service for up to 10 years, and
 - if the reservoir remains in service beyond 10 years.
- If such risks exist:
 - How likely are they?
 - How should the risks be considered given the likely limited period the existing reservoir would remain in use.
- Does the reservoir's current lower operating level mitigate earthquake-related safety concerns to a reasonable level?
- Is it safe and feasible to further reduce the reservoir's operating level? If so, what is the minimum level at which it can operate while providing necessary, supply, pressure, and fire flow to the system?

Temporary Mitigation

- Will the proposed K-rail barrier resolve or reduce potential earthquake-related downhill flooding issues?
- What design criteria should be used to assess the proposed K-Rail, given that it is a temporary structure/improvement with an anticipated design life of 5 years or less?
- Are there other mitigation measures you would recommend?

Proposed Replacement Tank

- Risks: What are the hazards and risks associated with the new proposed tank?
- The new tank is expected to be an AWWA D110, Type I prestressed tank incorporating design features such as a thick mat foundation, construction on a geogrid-reinforced earthen mat, and wrapped in geofoam. All pipe connections will have double-ball earthquake fittings. Would the completion of that new subterranean tank resolve any current and/or ongoing safety-related issues?
- Is the tank a cost-effective use of ratepayer funds?
- Is the proposed timeline for completion of the new tank reasonable?

As can be seen from comparing the issues in the Commission's Scoping Memo and those in the RFP, California American Water's list in the RFP carefully tracked the Scoping Memo.

Michael Baker then took the issues from the RFP and designed a scope of work for a project to specifically address those issues. Michael Baker is a leading provider of engineering and consulting services, including design, planning, architectural, environmental, construction and program management. It has been consistently ranked in the top ten percent of the 500 largest engineering design firms. Michael Baker has provided planning, design, and construction phase services for reservoirs, pipelines, pump stations, and flow control facilities throughout California. This means the Proposal provided by Michael Baker (which also includes a scope of work from the geotechnical subcontractor, Hushmand Associates, Inc.) reflects the opinion of a well-respected, highly experienced professional engineering firm on the appropriate project to address the issues the Commission set out in the Scoping Memo. Thus, the Commission should rely on the Proposal provided by Michael Baker, not on those suggested by either the City or Complainants. The parties are not experts on the subject matter; Michael Baker is.

B. California American Water Agrees with Certain Changes Suggested by the City

Nothing in the December 15, 2025, City Comments attacks or undermines the proposal provided by Michael Baker. As the Scoping Memo pointed out, the City has made clear that the City is not an expert in this area and is “unable to effectively analyze and consider the safety issues presented by the Reservoir.”⁴ Thus, California American Water believes the Commission should use the proposal provided by Michael Baker because Michael Baker is the most knowledgeable and experienced entity on these matters that is involved in this process.

The City does, however, provide some useful suggestions. The City’s Comments highlight the City’s desire for a phased approach, with Michael Baker performing certain tasks earlier in the process. California American Water joins with the City and supports the phased approach. The City also requests that Michael Baker provide interim reports. California

⁴ Scoping Memo, p. 5.

American Water similarly joins with the City to support the use of interim reports to keep the parties informed of progress.

Finally, the City includes a “Revised Scope of Work” as “Exhibit A” to the City’s Comments. While California American Water believes the Commission should adopt the Michael Baker Proposal with just the addition of a phased approach and interim reports, in the spirit of cooperation, California American Water would agree to the City’s Revised Scope with just a handful of edits. Included with these Reply Comments as Attachment 3 is a version of the City’s Revised Scope that includes California American Water’s proposed edits. It also includes an explanation, broken down by task, for why each proposed edit is appropriate.

C. The Commission Should Disregard Complainants’ Comments

1. Complainants Attacks on the Michael Baker Proposal Are Without Merit, so the Commission Should Reject Them

Complainants’ Comments assert the Commission should adopt Complainants’ proposed scope of review because it “track[s] with Commissioner Reynolds’ Scoping Memo, focusing squarely on the potential dangers posed by the current reservoir and the efficacy of proposed Remedies.”⁵ “By contrast,” the Complainants allege, “the questions set forth in Cal Am’s Baker proposal do not.”⁶ This is wrong for several reasons.

First, as is set forth above, the Michael Baker proposal reflects an experienced engineering firm’s proposed project for addressing the issues in the RFP, and those issues in the RFP were carefully based on ones from the Scoping Memo. There is no basis for the Commission to disregard the sound judgement of a large, experienced, well-respected engineering firm and to instead defer to Complainants to design a project intended to answer the questions raised in the Scoping Memo.

⁵ Complainants’ Comments, at p. 3.

⁶ Complainants’ Comments, at p. 3.

2. Complainants' Effort to Remove any Timing Element from the Review Is not Appropriate and Would Deprive the Commission of Critical Information

The Complainants' Comments and proposed scope seek to turn an independent review into a biased effort to support their claims. They point to one alleged area where the scope provided by Michael Baker purportedly differs from that proposed in the Commission's Scoping Memo – timing. Complainants focus on Michael Baker's statement that it would evaluate risk based on the limited time the reservoir will remain in use and review design criteria for temporary mitigation measures.⁷ Complainants argue the Commission's Scoping Memo is not predicated on a temporary timeline and that it is unknown whether a new reservoir will be built on the Oak Knoll site.⁸ In short, the Complainants want a risk analysis that would include no time parameters – one that would assume the current reservoir and any added K-Rails would remain in place not just for thousands of years but forever.

Assessing risk requires the use of time. As an article presented at the U.S. National Conference on Earthquake Engineering in 2006 put it: "Although risk has different meanings and definitions among different professions and stakeholders, it can generally be quantified by three terms: probability, hazard (loss or other measurement), and time exposure."⁹ The Complainants want an analysis that only looks at hazards and ignores the other factors (probability and time) needed to quantify risk. This is like looking at smoking to assess the risk of cancer but not also looking at how much a person smokes and for how long. Complainants' logic would produce the same result whether a person smoked a single cigarette in a lifetime or smoked a pack per day for 50 years. Adopting the Complainant's proposal would corrupt the independent review process and distort the results. The Commission should not allow it.

⁷ Complainants' Comments, at p. 3.

⁸ Complainants' Comments, at p. 3.

⁹ https://www.uky.edu/KGS/geologic_hazards/understanding_seismic_hazard.pdf, at p. 2 of the pdf; see also at p. 8 of the pdf ("seismic risk is the probability (danger) of hazard (earthquakes of their effects) to life and property during a certain period of time").

Complainants' argument that the Scoping Memo contains no timing element is also wrong. The Memo expressly asks for a review of "[h]ow likely are the[] risks" from an earthquake.¹⁰ The Memo also asks "are the risks above and beyond acceptable engineering standards."¹¹ Design guidelines, standards, and codes – whether for transportation, bridges and infrastructure, new structures or existing ones – contain a time component for assessing earthquake risk.¹² As the previous paragraph makes clear, determining the likelihood of a risk requires the use of time periods. The Scoping Memo does contain a timing element, the proposal from Michale Baker does as well. The only thing that does not is Complainants' proposed scope. That is why the Commission should disregard it.

3. The Commission Should Disregard Complainants' Proposed Scope for Additional Reasons

Complainants' Comments do not just remove the timing element from the review. Their Comments also substitute Complainants' judgment for that of the independent reviewers. The independent review process is intended to provide the Commission with unbiased information the Commission can use to render its decision in the proceeding. The review process should not serve as a vehicle where Complainants can further argue and fight about their claims, require the independent reviewers to conduct discovery for Complainants, or otherwise improperly influence the process. The issues with Complainants' proposed scope are many, some examples of them are addressed below.

Complainants' proposed scope would allow any party to flood the reviewers with documents and arguments of a party's choosing and require those documents be reviewed.¹³ This would turn the independent review process into just another front for the parties to fight

¹⁰ Scoping Memo, at p. 3.

¹¹ Scoping Memo, at p. 3.

¹² See, e.g., ASCE 41-23, "Seismic Evaluation and Retrofit of Existing Buildings," authored by the Structural Engineering Institute, and issued by the American Society of Civil Engineers (2023).

¹³ See Complainants' Comments, p. 2 of Attachment 1.

about matters on which they disagree. The independent reviewers are qualified professionals. The independent reviewers – not the parties – are to run the process. The independent reviewers decide what documents and materials they need from the parties and which they need to review to render their report. Complainants’ proposed unwarranted intrusion into the review process is just another reason the Commission should disregard Complainants’ proposed scope.

Complainants’ scope would require the engineers to review and provide backup documentation from a project proposed in 1992.¹⁴ Nothing in the Scoping Memo references or asks for review of such prior projects. Nor do Complainants say why such review is warranted. As Complainants are aware, California American Water already provided the independent engineers with documents from that prior proposed project. In addressing the issues in the Scoping Memo, the reviewers should decide what information they review to address those issues. This should not be dictated by a single party.

Complainants would require the independent engineers to undertake discovery that Complainants are free to do but that is not the job of the independent reviewers. Complaints’ scope would require the engineers “[s]eek and consider (if obtained) reports obtained by Cal Am and referenced in” a 1992 report.¹⁵ These are reports that California American Water already indicated, in response to discovery requests from Complainants, that California American Water does not possess. The engineers should not be forced to conduct discovery for Complainants or to consider information the Complainants demand. Again, the independent reviewers should decide what information they need. That should not be dictated by Complainants or any other party.

Complainants’ proposed scope seeks to micromanage the process. Complainants would determine what must be included in the report prepared by the independent reviewers, all the way down to what must be in the Appendix.¹⁶ No party should be permitted to micromanage the

¹⁴ Complainants’ Comments, p. 1 of Attachment 1.

¹⁵ Complainants’ Comments, p. 2 of Attachment 1.

¹⁶ Complainants’ Comments, p. 2 of Attachment 1.

process. Likewise, no party should be permitted to dictate under what scenarios or assumptions the review proceeds.¹⁷ Complainants claims of some sort of agreement on scenarios is not accurate. Again, these determinations are for the independent reviewers to make.

Finally, Complainants would require Michael Baker and its subcontractor to attest that their “analysis and conclusions are independent and free of all influence of any party.”¹⁸ Michael Baker and its subcontractor Hushmand Associates, Inc. are professionals. All engineers licensed by California’s Board for Professional Engineers must adhere to a strict code of ethics.¹⁹ This type of micromanagement and questioning of the engineers’ character by Complainants is unwarranted and insulting. This is why the Commission should disregard Complainants’ Comments and Complainants’ proposed scope.

4. Complainants Talk a Lot About Transparency But Fail to Tell Whole Story

Complainants assert they have “grave concerns” given that their “limited research suggests that Michael Baker and Cal Am have a relationship going back to at least 2012, and have done millions of dollars of business together.” They continue, “[t]he full extent of the relationship and the financial ties have not been disclosed by CalAm, in spite of our requests.”²⁰ Complainants use these claims in arguing the Commission should adopted the Complainants’ proposed scope.²¹ The Commission should not.

First, there is no indication that Michael Baker, an engineering firm with thousands of employees and 90 offices nationwide would compromise its reputation and integrity, in what for it is a tiny contract, to somehow benefit California American Water. Indeed, although Complainants are well-aware of it, Complainants nonetheless withheld the fact Michale Baker is also a preapproved contractor for the City, which is also a complainant in this

¹⁷ See Complainants’ Comments, p. 2 of Attachment 1.

¹⁸ Complainants’ Comments, p. 2 of Attachment 1.

¹⁹ Cal. Code Regs. Tit. 16, § 475.

²⁰ Complainants’ Comments, at p. 4 and p. 4, fn. 1.

²¹ Complainants’ Comments, at p. 4.

matter. Also, though aware of it, Complainants do not mention that Michael Baker in just the last few years received or is in contention for millions of dollars in contracts to perform work for the City. Nor did Complainants disclose that Michael Baker was at the top of the list of preapproved contractors the City provided to California American Water when California American Water put out the first request for proposal seeking an independent review. As the City has conveyed to California American Water, the City (who has extensive experience working with Michael Baker and other engineering firms) has no qualms with that Michael Baker performing the independent review in this proceeding.

Second, the Complainants fail to provide relevant information concerning their requested information. Complaints did not receive all documents they requested because they made a recklessly overbroad request. They demanded information on “any other work Baker has done, is going to do or may do in the future for CalAm or American Water.” This request was unlimited in terms of years going back as well as years going forward. California American Water let the Complainants (one of whom is an experienced attorney) and Complainants’ separate outside attorney know the request was over broad. California American Water then offered to, for prior contracts, go back five years and provide the requested information. California American Water also explained that it could not predict the future, so it could not provide future contracts. Complainants then demanded documents for a period longer than five years. California American Water then provided Complainants with information going back to 2017. And California American Water explained that it would require much more work to provide documents from before that year because 2017 is when the company’s current contract management system was installed. It is disappointing the full story did not find its way into Complainants Comments.

The Commission should approve the scope provided by Michael Baker because that entity is respected and qualified. The Commission should not allow one party to dictate the terms because that party demands it.

IV. CONCLUSION

For the foregoing reasons, California American Water respectfully requests the Commission adopt Michael Baker's August 28, 2025, "Proposal for Independent Engineering Review Services," with the two additions proposed by the City and agreed to by California American Water regarding phasing and reporting. The Commission should also disregard Complainants' Comments and proposed scope.

Dated: December 30, 2025

Respectfully submitted,

By: /s/ Nicholas A. Subias
Nicholas A. Subias

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*Attorney for Defendant California-American
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ATTACHMENT 1

July 10, 2025

**Independent Engineering Review Services
Los Angeles County District
Oak Knoll Reservoir Project Review/Assessment
REQUEST FOR PROPOSAL**

BACKGROUND:

California American Water Company's Oak Knoll Reservoir is believed to be located on or near the Raymond Fault. The reservoir is thought to have been constructed around 1916 using reinforced concrete. It has a 2.5-million-gallon capacity.

California American Water proposes to replace the current reservoir with a smaller, fully buried concrete tank, with a capacity of around 600,000 gallons. Plans for that replacement tank are already at the 30% stage.

While the current reservoir is still in operation, California American Water will operate the reservoir at a reduced capacity of a maximum of 1,151,974 gallons. During that interim period, California American Water also proposes to install an anchored K-rail barrier along the southwest and southern border of the reservoir to provide additional protections in the unlikely case of leakage from the reservoir.

As is discussed in more detail below, this Request for Proposal ("RFP") seeks an independent engineering review in connection with the current reservoir, the interim K-rail barrier, and the proposed replacement tank.

PROJECT DESCRIPTION:

California American Water seeks an independent review of the Oak Knoll Reservoir and proposed changes to it. That review will consider and address the following:

Current Oak Knoll Reservoir

- Risks: What are the risks, if any, an earthquake on the Raymond Fault could damage the current reservoir before it is replaced.
 - If such risks exist:
 - How likely are they?
 - How should the risks be considered given the likely limited period the existing reservoir would remain in use.
- Does the reservoir's current lower operating level mitigate earthquake-related safety concerns to a reasonable level?
- Is it safe and feasible to further reduce the reservoir's operating level? If so, what is the minimum level at which it can operate while providing necessary supply, pressure, and fire flow to the system?

Temporary Mitigation

- Will the proposed K-rail barrier resolve or reduce potential earthquake-related downhill flooding issues?
- What design criteria should be used to assess the proposed K-Rail, given that it is a temporary structure/improvement with an anticipated design life of 5 years or less?

Proposed Replacement Tank

- Does the proposed new tank resolve any current and/or ongoing issues regarding seismic safety once completed?
- The new tank is expected to be an AWWA D110, Type I prestressed tank incorporating design features such as a thick mat foundation, construction on a geogrid-reinforced earthen mat, and wrapped in geofoam. All pipe connections will have double-ball earthquake fittings. Would the completion of that new subterranean tank resolve any current and/or ongoing safety-related issues?
- Is the proposed timeline for completion of the new tank reasonable?

PROJECT SCOPE:

- Review: The project will involve the review of documents and materials. Those include:
 - Documents relating to the current reservoir, such as reports dating back more than 30 years.
 - Plans and calculations relating to the proposed replacement tank. This includes a review of the surface fault rupture evaluation associated with the proposed new tank as well as the backup information relating to that evaluation such as boring samples, photographs, and other materials.
 - Plans and calculations relating to the proposed K-rail barrier.
- Site Visit: The project will likely involve at least one visit to the Oak Knoll Reservoir site, with more visits if necessary.
- Deliverable: The project deliverable is a final report. That report will provide the consultant's responses addressing, in detail, the questions raised under the project description.

- Submittals: In addition to the final deliverable, the consultant shall provide monthly progress updates.

LIMITATIONS:

- The winning bidder will provide review/analysis services only. That bidder will not perform any future work on the reservoir site. The services requested are only for independent review.

QUALIFICATIONS:

- Bidder must have extensive experience in the design, review, construction, and assessment of water-related infrastructure.
- Bidder must also have geotechnical and geological review capabilities, with State of California licensed Certified Engineering Geologists (CEG) and Geotechnical Engineers (GE).

REQUEST FOR PROPOSAL RESPONSE DEADLINE:

- RFP Responses are due on or before July 30, 2025.

RESOURCES PROVIDED FOR REVIEW WILL INCLUDE:

- Files from the City of Pasadena, including the 1992 CUP File
- Surface Fault Rupture Hazard Evaluation Report, prepared by Group Delta Consultants, Inc., dated July 9, 2024.
- Brady Reports
- Other available documentation
- Such information may also be supplemented during the process. If it is, you will be provided with notice.

CONFIDENTIALITY AND NON-DISCLOSURE

- This Request for Proposal (RFP) and the information contained herein, and any other information, data, materials of or about California American Water in connection with this RFP, constitute highly sensitive and confidential information, and is the property of California American Water. Each potential supplier (Supplier) shall regard this RFP and all such information, data, and materials as strictly confidential. This RFP and all proposals submitted to California American Water, and all other information, data, materials, and communications relating to this RFP shall be subject to the terms of the Non-Disclosure Agreement (NDA) that has been executed between California American Water and Supplier. Each Supplier must recognize that California American Water operates in a highly competitive business environment and maintains assets that are of critical importance to supplying customers with water service so, for those reasons, the Supplier must not disclose any portion or portions of this RFP, or of any such information, data, and materials, to any of its business partners, affiliates, or subcontractors, or to any other third party, unless each such business partner, affiliate, subcontractor, or other third party, as the case may be, first executes a confidentiality agreement no less restrictive than the NDA that has been signed by the Supplier and California American Water or unless California American Water authorizes the Supplier to release that information to the third party.

RFP INSTRUCTIONS

- All questions with regard to this RFP must be made by message within the COUPA system only. Discussion with others not listed below may result in disqualification from the RFP process.

For the purposes of this RFP, the California American Water representative is:

Name: Nicholas Subias, Corporate Counsel

E-mail: Nicholas.subias@amwater.com

PROPOSAL REQUIREMENTS:

Consultant's proposal must include:

1. Team & Firm Qualifications – Project organization chart, noting the location of staff and any sub-consultants. Include recent completed projects that are similar in scope or subject matter to this project.
2. Understanding and Project Approach – Show a clear understanding of the items noted in the Project Description. Provide information on how your firm intends to approach the project.
3. Scope of Work – Detail how your firm will satisfy the individual tasks identified in this RFP.
4. Project schedule – Provide a schedule detailing expected task durations and submission of deliverables.
5. Include detailed breakdown of cost by task. Including a rate schedule.
6. Resumes

ATTACHMENT 2

From: Juan Gutierrez <jcg966@sbcglobal.net>
Sent: Monday, December 8, 2025 2:35 PM
To: Nicholas A Subias <Nicholas.Subias@amwater.com>
Cc: Anthony Taylor <ataylor@awattorneys.com>; Thomas MacBride <Tmacbride@downeybrand.com>
Subject: Re: Oak Knoll -- Language for Discussion

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Nick—

We have reviewed the proposed text you sent on Friday, December 5, 2025. We disagree with the scope as set forth in that text for reasons we have discussed with Cal-Am previously. In particular, we disagree with the employment of a time factor in evaluating the risk of harm from an earthquake and the steps (interim and long term) that should be taken to mitigate that risk. We also do not understand whether the HAI letter attached to the August 28, 2025 letter from John Nagle is intended to modify the scope of the undertaking described in Mr Nagle's letter of August 28, 2025.

Accordingly, there is no real point in redlining the text today to raise these points and others we have expressed in the past. Instead, we will follow Judge Toy's directive and submit comments and suggestions on December 15, 2025.

Juan & Jessica

Sent from my iPhone

On Dec 5, 2025, at 3:32 PM, Nicholas A Subias <Nicholas.Subias@amwater.com> wrote:

Please see the attached.

Nicholas A. Subias

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<Oak Knoll - Scoping Language (Doc Circulated for Discussion Purposes Only).docx>

ATTACHMENT 3

Below is (1) a discussion of the reasons for the proposed changes to the City of Pasadena's proposed scope for the Independent Review and (2) the City's proposed scope, in track changes format, with California-American Water's ("Cal Am") proposed edits to the City's scope of work. Cal Am thanks the City for its efforts and makes only minor changes.

Cal Am's proposed changes to Task 1: None.

Cal Am's proposed changes to Task 2: These changes are mainly cosmetic. They re-order and slightly clarify the subtasks. As proposed by the City, the subtask order is (1) likelihood walls could fail, (2) potential consequences of failure for public safety, and (3) what a failure would look like. Cal Am re-ordered the subtasks to be (1) likelihood of failure, (2) what failure would look like, and (3) potential consequences of failure. Cal Am believes it makes more sense to include the "consequences of failure" in the (3) spot rather than the (2) spot. Cal Am made little change to the actual language.

Cal Am did add the word "likely" to the phrase potential consequences. This helps focus on probably rather than simply potential consequences. Cal Am also added "further" to reflect that the operating level of the reservoir was already lowered.

Cal Am's proposed changes to Task 3: Cal Am added "or reduce" to the current "eliminate." This expands the scope of review beyond just eliminating risks to also include mitigating them. Cal Am also all added the phrase "in similar circumstances"

Cal Am's proposed changes to Task 4: None.

CITY'S REVISED SCOPE OF WORK

Task 1: Assess if the current water level in the existing reservoir can be lowered further and if so, what is the lowest possible water level at which the reservoir can operate while providing the required amount of supply, pressure, and fire flow to the system? If the water level can be lowered further, assess to what extent that mitigates the seismic safety risks if there is a major earthquake on or near the site of the reservoir by analyzing Table A-1 - Summary of Nearby Active Faults (50 km Distance).

Task 2: Assess, by analyzing Table A-1 - Summary of Nearby Active Faults (50 km Distance), if a major earthquake were to occur on or near the site of the reservoir (and if the water level cannot be further lowered or if that does not mitigate the seismic safety risks under Task 1 above), (1) how likely the walls of the existing reservoir are to ~~could~~ fail; (2) if the walls did fail, how would they likely fail (for example would the failure of the reservoir walls most likely occur at the connection points of the reservoir walls and not result in a large amount of water flowing downhill from the reservoir in a short period); and (3) ~~and~~ what are the likely potential consequences for public safety if that failure occurred]; ~~or, determine if the possible failure of the reservoir walls is most likely to occur at the connection points of the reservoir walls and not~~

~~result in a large amount of water flowing downhill from the reservoir.~~ To assess the ~~eat~~ likelihoods, please look at different time periods (years) in the future when an earthquake might occur based on applicable engineering standards.

Task 3: Cal-Am is proposing to install an anchored K-rail barrier along the southwest and southern border of the reservoir to provide additional protection. Cal-Am has requested that the City approve this project, subject to applicable legal, engineering and planning requirements. Assess the following: (1) Will the proposed K-rail barrier resolve potential downhill flooding caused by a seismic event per Table A-1 - Summary of Nearby Active Faults (50 km Distance)? (2) Which risk(s) of those identified would the proposed installation of K-rail barriers eliminate ~~or reduce~~ and how? [Provide examples, if possible, in which K-rails have been used in similar circumstance~~sto eliminate that specific type of risk~~ as well as engineer's experience with K-rails in that scenario or a similar scenario, if applicable]; (3) Which risks would remain unchanged? and (4) Will K-rails exacerbate any risks? If so, under what scenario and how?

Task 4: Cal-Am has plans to replace the current reservoir with a smaller, fully buried concrete tank, with a capacity of around 600,000 gallons. The new tank is expected to be an AWWA D110, Type I prestressed tank incorporating design features such as a thick mat foundation, construction on a geogrid-reinforced earthen mat, and wrapped in geofoam. All pipe connections will have double-ball earthquake fittings. Assess for the proposed replacement tank: (1) If it will resolve seismic safety issues per Table A-1 - Summary of Nearby Active Faults (50 km Distance) and (2) What is a reasonable proposed timeline for completion of the new tank?

For Tasks 1 through 3, above, provide an interim report to all parties once that task is completed and before completing the next task. Determine whether an interim solution is feasible for Task 1 (water level).