

**MONTEREY PENINSULA WATER
SUPPLY PROJECT**

REQUEST FOR PROPOSALS

FOR THE

CONSTRUCTION OF CASTROVILLE PIPELINE

Issue Date: Month Day, 2019

Due Date: Month Day, 2019



**CALIFORNIA
AMERICAN WATER**

Pacific Grove, California

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ATTACHMENTS

A. PROPOSAL FORMS

Proposal Form 1	Transmittal Letter
Proposal Form 2	Non-Collusion Affidavit
Proposal Form 3	Disclaimer Statement
Proposal Form 4	Key Personnel
Proposal Form 5	Not Used
Proposal Form 6	Not Used
Proposal Form 7	Not Used
Proposal Form 8	Not Used
Proposal Form 9	Not Used
Proposal Form 10	Preliminary Project Schedule, Scheduled Construction Date, and Scheduled Acceptance Date
Proposal Form 11	Acceptance of the Contract
Proposal Form 12	Not Used
Proposal Form 13	Price Escalator Indices

B. DRAFT CONSTRUCTION CONTRACT

C. BID PACKAGE

SECTION 1

INTRODUCTION

1.1. EXECUTIVE SUMMARY

California-American Water Company (“CAWC”) through this Request for Proposals (“RFP”) is soliciting sealed Proposals from qualified respondents (“Proposers”) for a contract to construct the Castroville Pipeline (“Project”).

This Project is a component of the MPWSP. The purpose of the MPWSP is to replace a significant portion of the existing water supply from the Carmel River, as directed by the State Water Resources Control Board (“SWRCB”). CAWC is proposing a three-pronged approach to replace the water supply reductions ordered by the SWRCB. The three prongs consist of: (1) desalination, (2) groundwater replenishment (“GWR”), and (3) aquifer storage and recovery (“ASR”). This RFP is being issued to procure a new potable water pipeline connecting CAWC’s desalination plant transmission main to the Castroville Community Services District potable water system.

The Project will consist of installation of approximately 19,000 linear feet (3.6 miles) of pipeline, including valves and instrumentation, in unincorporated Monterey County and is further described in the technical specifications. The Project will not include the desalination plant transmission main.

CAWC, the Monterey Peninsula Regional Water Authority, the Monterey Peninsula Water Management District, and the County of Monterey have formed an oversight committee (the “Governance Committee”) to ensure efficient and effective public input into the development and operation of the MPSWP. The Governance Committee was formed pursuant to an agreement of the Governance Committee members dated March 8, 2013 (the “Governance Committee Agreement”).

Additional information concerning the MPWSP history, the Project Site conditions, background technical and environmental documents, the Governance Committee Agreement, and public outreach are available on the MPWSP website at www.watersupplyproject.org (the “MPWSP Website”).

CAWC expects to enter into a contract for the Project (the “Contract”) with the Proposer that submits the most advantageous Proposal as determined by CAWC with input from the Governance Committee.

This RFP provides background information for the Project, a description of the overall procurement process, the Proposal submission requirements, and the evaluation criteria that will be used to select a firm to perform the Contract. A draft Contract is included with this RFP. Unless otherwise defined in this RFP, all capitalized words, abbreviations and terms used herein shall have the meanings that will be set forth in the draft Contract.

1.2. PROPOSAL

IN ORDER TO BE CONSIDERED RESPONSIVE TO THIS RFP, PROPOSERS SHALL PROVIDE ALL REQUESTED INFORMATION IN ACCORDANCE WITH THE REQUIREMENTS OF THIS RFP.

CAWC is soliciting a detailed Proposal with specific forms and textual requirements from the Proposers. Proposals shall comply with the submittal requirements for Proposals outlined in Section 4 of this RFP. Proposers shall provide adequate information with respect to their proposed construction management and construction methods in order to demonstrate that: (1) the Project can be completed within the Project schedule; (2) the Project will be constructed in accordance with the Contract; and (3) the completed Project will meet the standards for acceptance in accordance with the draft Contract.

1.3. PROPOSAL SUBMITTAL

Proposals must be submitted and received by CAWC, pursuant to Section 4 of this RFP, **NO LATER THAN X:XX P.M., PACIFIC DAYLIGHT TIME (“PDT”), ON Month Day, 2019.** All Proposals shall be submitted in sealed packages and in accordance with the requirements of Section 4 of this RFP.

By submitting a Proposal, Proposers acknowledge and agree to the following conditions:

- All Proposals submitted in response to this RFP will become the property of CAWC and will be subject to disclosure as and to the extent provided in Section 3 of this RFP.
- CAWC’s selection of a Proposal shall not waive or limit any assumptions of risk, provision of indemnity, or other obligations of the Contractor under the Contract, as may be executed between a Proposer and CAWC.
- Proposers shall comply with the communications protocol set forth in Section 3 of this RFP with respect to all communications concerning this RFP.
- Proposals shall comply with all requirements of Section 4 of this RFP. Failure to comply with Section 4 of this RFP may result in a Proposer being deemed unresponsive by CAWC.
- The qualification of the Proposers to receive this RFP and provide a Proposal does not waive or abridge CAWC’s right to find that any Proposer or Proposal is non-responsive to the requirements of this RFP or to find that a Proposer is less qualified than another Proposer and have their evaluation scoring reflect such finding.
- After selection of a Proposal, the selected Proposer shall be required to execute the Contract following the conclusion of successful negotiations with the selected Proposer.

SECTION 2

GENERAL INFORMATION

2.1. PURPOSE OF SOLICITATION

CAWC is soliciting Proposals from the Proposers identified in Section 1.1 of this RFP to perform the construction work for the Project as required by the draft Contract. The construction work described in this paragraph is referred to herein as the “Work.”

CAWC intends to select one qualified Proposer that provides CAWC the benefits discussed below and that best meets CAWC’s objectives set forth in Section 2.2 of this RFP. CAWC will select the most advantageous Proposal by applying the evaluation criteria contained in Section 5 of this RFP to the Proposals.

CAWC expects any firm it contracts with will: (a) be efficient; (b) demonstrate that its construction management and construction methods are cost-effective; (c) have an optimal Project schedule; (d) provide a clear assignment of responsibilities through a single contracting entity (for each component of work); and (e) possess an exceptional safety record and be green flagged in AVETTA or can become green flagged in AVETTA prior to the execution of the Contract.

2.2. MPWSP BACKGROUND AND OBJECTIVES

CAWC has served the Monterey Peninsula since it acquired properties from California Water & Telephone Company in 1966. CAWC’s Monterey service area is located in the semi-arid central California coastal area that is currently entirely dependent on local rainfall for its water supply; imported water is not an available option. By reason of its geography and rainfall patterns, the area is prone to severe droughts. Wells located along the Carmel River that draw water from the Carmel River Aquifer are the primary source of water for CAWC. An additional source of water for CAWC is a network of eight wells located in the Seaside Basin, which CAWC shares with a number of users and purveyors.

The CAWC Monterey service area, also known as the Monterey County District, includes six incorporated cities, the Monterey Airport District, the unincorporated areas of Carmel Highlands, Carmel Valley, and Pebble Beach, and other unincorporated areas in Monterey County. The City of Marina, unincorporated Castroville, and other areas of unincorporated Monterey County lie north of the CAWC service area. The MPWSP is needed to replace existing supplies that are constrained by recent legal decisions affecting the Carmel River and Seaside Groundwater Basin water resources: SWRCB Order No. WR 95-10 (“Order 95-10”) and the Monterey County Superior Court adjudication of water rights in the Seaside Groundwater Basin. Both rulings reduce CAWC’s use of its two primary sources of supply for the Monterey County District and provide the most immediate impetus for the MPWSP. In addition, in October 2009, the SWRCB issued a Cease and Desist Order (“CDO”) claiming CAWC had not complied with Order 95-10, requiring CAWC to terminate unauthorized diversions from the Carmel River, and that these diversions constitute a trespass of water. The CDO, as amended in July of 2016, imposes certain milestones and a deadline of December 31, 2021, for CAWC to reduce its diversion of water from the Carmel River by approximately 70%.

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The MPWSP is the result of a multi-year planning effort that has considered several different proposed projects and various related documents. Since 1989, several options have been proposed that proponents have hoped would meet the water supply needs of the Monterey Peninsula and address the impacts on the Carmel River underlying Order 95-10, as well as the Seaside Basin adjudication. The objectives that were considered during development of the MPWSP are as follows:

- Satisfy CAWC’s obligations to meet the requirements of Order 95-10;
- Diversify and create a reliable drought-proof water supply;
- Protect the Seaside Groundwater Basin for long-term reliability;
- Protect the local economy from the effects of an uncertain water supply;
- Minimize water rate increases by creating a diversified water supply portfolio;
- Minimize energy requirements and greenhouse gas emissions per unit of water delivered to the extent possible;
- Provide facilities that can accommodate sea level changes;
- Explore opportunities for regional partnerships; and
- Provide flexibility to incorporate alternative water supply sources, such as GWR.

CAWC submitted an application to the California Public Utilities Commission (“CPUC”) for the MPWSP in April 2012. The MPWSP consists of several distinct components: a source water intake system consisting of slant wells; a desalination plant; a brine discharge system; water conveyance pipelines and storage facilities; and an ASR system. In addition, Monterey One Water (“M1W”) (formerly known as the Monterey Regional Water Pollution Control Agency or “PCA”) is constructing a 3,500 acre foot per year GWR project.

The CPUC and the Monterey Bay National Marine Sanctuary, as co-Lead Agencies under the National Environmental Policy Act and the California Environmental Quality Act, issued the Final Environmental Impact Report/Environmental Impact Statement (“Final EIR/EIRS”) in March 2018. In September of 2018 the CPUC approved the MPWSP, and CAWC is currently in the process of obtaining a coastal development permit for certain components of the MPWSP. With the permitting approvals progressing and the CDO date approaching, CAWC would like to have the Contractor for the Project in place as soon as possible.

2.3. PROJECT DESCRIPTION

2.3.1 Generally

The Contractor will be asked to provide all necessary construction, commissioning, start-up and testing services to bring the Project described in this section of this RFP on-line

2.3.2 Castroville Pipeline

The Project components are to be constructed at Project Site, as generally described below and in the draft Contract.

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The structures and facilities that are components of this Project are expected to consist of approximately 19,000 linear feet (3.6 miles) of pipeline ranging in diameter from eight to twelve inches, including appurtenant valves, meter stations and cathodic protection.

2.4. AVAILABLE REPORTS AND MATERIALS

Certain Project, Project Site-related, and relevant background information are available for review by the Proposers at the MPWSP Website. The following documents are (or will be) available for review on the MPWSP Website:

- Governance Committee Agreement
- Final EIR/EIS, March 2018
- Project procurement documents, drawings, specifications, and other material

2.5. ACCURACY OF RFP AND RELATED DOCUMENTS; RELIANCE ON ORAL COMMENTS

Except as specifically set forth in the draft Contract, CAWC neither makes any representation or warranty with respect to nor assumes any responsibility for the appropriateness, completeness or the accuracy of this RFP or any of the related documents, addenda or information provided in connection with this RFP, including the available reports and materials provided on the MPWSP Website. Under no circumstances shall a Proposer to this RFP rely on verbal statements made on behalf of CAWC or any of their respective agents, employees, contractors, advisors or consultants. To the best of its ability, CAWC has tried to provide timely and up-to-date information; however, CAWC cannot guarantee the accuracy or completeness of all data provided. Thus, Proposers are cautioned to use their best judgment in determining how to use the data and information provided, and whether or not further independent research and due diligence is required for the preparation of their Proposals and the subsequent delivery of the Work under the Contract. Except as specifically provided in the Contract, no information derived from any part of the foregoing documents, this RFP or from CAWC or any of their respective agents, employees, contractors, advisors or consultants shall relieve the Contractor from any risk or from fulfilling all terms of the Contract.

2.6. PROJECT SITE

2.6.1 Project Site Description

The pipeline will be installed primarily in Transportation Agency of Monterey County (TAMC) right-of-way (“ROW”), with a limited portion to be installed in Monterey County ROW around and under the Monte Road Bridge where the pipeline will cross over the Salinas River. The limits of Work for the Project will be described by Temporary Construction Easements provided by the underlying property owners and are expected to typically encompass the full-width of the ROW. However, each property owner will set restrictions on the use of the ROW. The Contractor must confirm the limits of work with each property owner and acquire the necessary permits to conduct the Work prior to mobilization. All worksites must be returned to pre-existing conditions or better upon demobilization.

2.6.2 Project Site Preparation

CAWC does not intend to perform any Project Site preparation work prior to entering into the Contract with the Contractor.

2.6.3 Project Site Access during the Proposal Period

Each Proposer should, at its own cost and expense, visit the Project Site and become familiar with and be satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work. Proposers may only access any portion of the Project Site that may be situated on private property after obtaining written authorization from CAWC or the private property owner and may be required to enter into a site access agreement with CAWC or the private property owner as a condition of such authorization.

Upon request, CAWC may provide an optional tour of the Project Site to Proposers. If provided, CAWC will send written notification of the meeting location and other logistical information following a request for tour. During the tour, Proposers may ask questions limited to those regarding the Project Site, and CAWC may provide responses. All such questions will be recorded by CAWC personnel, and any responses will be issued in writing in an addendum to all Proposers. Only official addenda issued by CAWC are binding.

2.7. SCOPE OF WORK

The required scope of Work is set forth in detail in the draft Contract and is summarized in Section 2.3 and below.

2.7.1 Basic Performance Requirements

The Contract will require the Contractor to provide a quality assurance and quality control plan prior to beginning the construction of the Project and adhere to that plan during construction. In performing the Work, the Contractor shall comply with the Contract, which includes all requirements of applicable law.

2.7.2 Environmental Compliance

The Contractor will be required to conduct its construction activities consistent with the requirements of the attached technical specifications.

2.7.3 Construction

The Contractor will have full responsibility for construction of the Project, including safety of the Project Site and the Work and all means and methods of construction.

The Contractor will be required to be AVETTA green flag certified prior to execution of the Contract with CAWC. AVETTA is a third party safety program auditing firm that CAWC uses to evaluate contractor safety programs. There is a fee associated with AVETTA membership that is the responsibility of the Contractor. To sign up or learn more, Proposers may visit the following web-site: <https://www.avetta.com/>

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The Contractor will be required to perform all Work in compliance with the Contract, including all environmental and other stipulations, conditions and mitigation requirements set forth in the various requirements and permits, approvals and grants of rights to CAWC property access and use. The Contractor will be required to provide for the observation of its Work by CAWC and regulatory agencies. All Work will be required to conform to the requirements set forth in the draft Contract.

2.7.4 Acceptance Testing

The Contractor will be required to successfully complete acceptance testing of the Project as set forth in the draft Contract.

2.7.5 Quality Management

To help ensure a comprehensive and effective construction quality management plan is implemented by the Contractor to achieve CAWC objectives and that the contractual requirements pertaining to quality are met, certain minimum requirements for the construction quality control are set forth in the draft Contract. The Contractor must provide a construction quality management plan meeting the minimum requirements of the Contract prior to beginning construction.

2.7.6 Operation and Maintenance Training

The Contractor will be required to train CAWC employees prior to substantial completion, as described in the draft Contract and Technical Specifications.

2.8. DRAFT CONTRACT

2.8.1 Purpose and Scope

The scope of work described in this section is reflected in the draft Contract. The draft Contract shall serve as the intended form of the contract between CAWC and the Contractor. Specific information from the selected Proposal(s) will be incorporated into the final Contract including, but not limited to, pricing and the Contract Times.

The Contract will contain the entire agreement between the parties with respect to the Work.

2.8.2 Proposed Changes to the Draft Contract

Proposers may request changes to the terms and conditions of the draft Contract (excluding technical specifications and drawings) in writing and submitted with their Proposal.

CAWC requests Proposers to base their Proposals on the terms and conditions set forth in the draft Contract as amended by any addendum. Acceptance of the terms and conditions of the draft Contract will be a factor in the evaluation of Proposals, as detailed under Section 5 of this RFP. CAWC recognizes, however, that Proposals may be conditioned on the mutual resolution of particular issues.

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To the extent that a Proposer intends to condition its Proposal on particular changes to the draft Contract, such changes shall be identified through submission of a markup version of the draft Contract in a Microsoft Word document using track changes. Proposers are cautioned that significant deviations from the terms and conditions set forth in the draft Contract may result in fewer or no points being awarded to the Proposer under the business terms and conditions evaluation criterion. In addition, to the extent that proposed changes to the terms and conditions substantially change the nature of the transaction or the scope of Work, CAWC may reject the Proposal in its sole discretion as non-responsive to the requirements of this RFP.

In evaluating proposed terms and conditions, CAWC will assume that the Proposer's markup includes all suggested changes and that the Proposer accepts all terms and conditions that are not specifically addressed in the tracked changes draft. Except with respect to changes in law occurring between the Proposal date and the effective date of the Contract, CAWC does not intend to discuss or negotiate any issue, term or condition that is not specifically identified in the Proposer's markup. If the Proposer selected for negotiations raises any such issue, term or condition, CAWC reserves the right to suspend or terminate negotiations with the selected Proposer and to commence negotiations with the next highest ranked Proposer. The process for the negotiation of the Contract is further described in Section 3.11 of this RFP.

2.9. UTILIZATION OF WOMEN, MINORITY, AND DISABLED VETERAN OWNED BUSINESS ENTERPRISES

CAWC acknowledges the contributions of women, minority and disabled veteran business enterprises ("WMDVBE") to California's economy, in part, through CPUC General Order 156. In accordance with CPUC General Order 156, CAWC is committed to promote and facilitate full participation in these programs.

CAWC has established a combined WMDVBE participation goal for the Project of thirty percent (30%) of the Contract Price.

Proposers must prepare and submit a WMDVBE subcontracting commitment utilization and reporting plan ("WMDVBE Utilization Plan") as part of its response to this RFP. The WMDVBE Utilization Plan is a written commitment to contract with WMDVBES that have been certified through the CPUC's Supplier Clearinghouse, as part of the Project.

CAWC will require that the Contractor monitor and report the continued implementation of the WMDVBE program goals, as stated in the WMDVBE Utilization Plan, throughout performance of the Contract.

2.10. UTILIZATION OF LOCAL CONTRACTORS AND SUPPLIERS

CAWC acknowledges the benefit that the local community receives through utilization of local contractors, laborers, and suppliers.

Proposers must prepare and submit a local resources utilization and reporting plan ("Local Resources Utilization Plan") as part of its response to this RFP. The Local Resources Utilization Plan is a written commitment to contract with local contractors, subcontractors, sub-consultants, vendors, suppliers, and labor forces. The Contractor will be required to make a good faith effort

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to employ qualified individuals who are, and have been for at least one year out of the three years prior to the opening of Proposals, residents of Monterey County, San Benito County, or Santa Cruz County in sufficient numbers so that no less than fifty percent (50%) of the Contractor's total construction work force, including any Subcontractor work force (with exception of specialty subcontractor items), measured in labor work hours, is comprised of residents of such counties.

CAWC will require that the Contractor monitor and report the continued implementation of the Local Resources Utilization Plan throughout performance of the contract.

2.11. LABOR COMPLIANCE AND PREVAILING WAGE

Proposers must comply with all applicable requirements of the California Labor Code, the Department of Fair Employment and Housing regulations set forth in CCR, title 2, sections 8101 *et seq.* Proposer Nondiscrimination and Compliance (2 CCR §§ *et seq.*), and with all applicable federal labor requirements. Any Contract executed pursuant to this RFP will incorporate *DBE Good Faith Efforts Requirements* and *Davis Bacon Contract Provisions*, both of which are Exhibits to the draft Contract.

CAWC has the responsibility for financing the Project. CAWC anticipates that a portion of the funding will come from the State's revolving loan program. Prevailing wages must be paid on projects receiving such funding. Proposers, therefore, will be required to pay prevailing wages.

Pursuant to Section 1773 of the California Labor Code, the general prevailing wage rates in the county in which the construction is to be performed is determined by the Director of the California Department of Industrial Relations ("DIR"). The general prevailing wage rates for this Project are available from the DIR's website at <http://www.dir.ca.gov>.

The Project may be subject to a statutory requirement to adopt and enforce a labor compliance program for the monitoring and enforcement of prevailing wage requirements.

2.12. EQUAL EMPLOYMENT OPPORTUNITY

Proposers shall not, in connection with the RFP, the Proposal or the Contract, discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status or disability. Proposers shall take affirmative action to ensure that neither employees nor applicants for employment are discriminated against on the basis of race, color, religion, sex, national origin, age, marital status, ethnic group identification, sexual orientation, residence or disability. The areas requiring such affirmative action shall include, but not be limited to, the following: layoffs or terminations; pay rates or any other form of compensation; employment; job assignments; promotions; demotions; transfers; recruitment or recruitment advertising; and selection for training, including apprenticeships, pre-apprenticeships and on-the-job training.

2.13. LICENSING REQUIREMENTS

Proposers, including all major participants of a Proposer's team, shall possess all licenses applicable to the Project at the time of Proposal submittal. No Proposer may propose on work of a kind for which Proposer is not properly licensed, and any such proposal received will be rejected.

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The Proposal shall contain evidence that the Proposer, including all major participants, is properly licensed in accordance with the laws of the State of California. Subcontractors that are not major participants must be licensed no later than the time of execution of a subcontract with the Contractor. All joint ventures must have a joint venture license in compliance with Sections 7029 and 7029.1 of the California Business and Professions Code prior to execution of the Contract.

2.14. EXAMINATION OF CONTRACT DOCUMENTS AND PROJECT SITE

2.14.1 Proposer's Responsibilities

It is the responsibility of each Proposer before submitting a Proposal to:

1. Examine, with appropriate care and diligence, the RFP (including any addenda), and inform itself with respect to any and all conditions that may in any way affect the amount or nature of its Proposal or the performance of the Work, if Proposer enters into the Contract with CAWC. The Transmittal Letter (Proposal Form 1) includes an acknowledgment that Proposer has received and reviewed all materials posted thereon. Any failure of Proposer to so examine and inform itself shall be at Proposer's sole risk, and CAWC will provide no relief for any error or omission thereto;
2. Become familiar with the Project Site and the general, local or other conditions that may affect cost, progress, performance or furnishing of the Work;
3. Become familiar with and satisfy all applicable law that may affect cost, progress, performance or furnishing of the Work; and
4. Promptly notify CAWC of all conflicts, errors, ambiguities, or discrepancies that Proposer has discovered in the RFP.

2.14.2 Site Visits

Proposers should visit the Project Site as described in Section 2.6.3.

2.15. SECURITY FOR PERFORMANCE

The Contractor will be required to provide the following security for performance in connection with the Project: payment and performance bonds each in an amount equal to the Contract Price.

SECTION 3

DESCRIPTION OF PROCUREMENT PROCESS

3.1. PROCUREMENT PROCESS SCHEDULE

A summary schedule of the major activities associated with this procurement process is presented below. This procurement schedule is based on CAWC’s intent to execute a Contract to be effective by **Month Day, 2019**.

RFP Process	Date
RFP and draft Contract issued to Pre-qualified Respondents	Feb XX, 2019
RFP Pre-Proposal meeting	Feb XX, 2019
Written questions and comments on RFP and draft Contract due	Feb XX 2019
CAWC issues addendum to RFP distributing answers to written questions	Mar XX 2019
Project Proposals due	Mar XX, 2019
Selection of preferred Proposer(s)	Mar XX, 2019
Final draft Contract and all Proposals to Governance Committee for recommendation	Mar XX, 2019
Governance Committee meeting	Mar XX, 2019
Contract execution	Apr XX, 2019

Proposers are encouraged, but not required, to submit written questions or comments on the RFP or draft Contract in advance of the pre-Proposal meeting with CAWC in order to facilitate discussion. Where written comments or submittals are required, all such documents shall be submitted no later than 3:00 p.m. PDT on the day specified. CAWC reserves the right to modify any or all of the above dates at its sole discretion at any time during this procurement process.

3.1.1 Pre-Proposal Meeting

As set forth in the schedule included in Section 3.1 above, CAWC will hold a pre-Proposal meeting with all qualified Proposers. This meeting is intended to, among other things, allow Proposers to raise questions or comments on the RFP or draft Contract. Following the meeting, CAWC will issue an addendum to reflect any changes to the RFP or draft Contract. Proposers are encouraged to submit information regarding any proposed changes at least three business days in advance of the meeting in order to maximize the value of the discussions at the meeting.

3.2. SELECTION COMMITTEE

The Selection Committee, which is comprised of individuals selected by CAWC, will review and evaluate the Proposals submitted and select the most advantageous Proposer(s) based upon the criteria detailed in Section 5 of this RFP.

3.3. CAWC RIGHTS AND OPTIONS

This RFP constitutes an invitation to submit Proposals to CAWC. CAWC reserves, holds without limitation and may exercise, in its sole discretion, the rights as set forth below. Such rights are in addition to and shall not serve to limit any of the specific rights and conditions set forth in this RFP. By responding to this RFP, Proposers acknowledge and consent to the following CAWC rights:

1. CAWC reserves the right to waive any defect, technicality or any other minor informality or irregularity in any Proposal.
2. CAWC reserves the right to eliminate any Proposer that submits an incomplete or inadequate response, or is not responsive to the requirements of this RFP, or is otherwise deemed to be unqualified during any stage of the procurement process.
3. CAWC reserves the right to prepare and issue such amendments and addenda to this RFP prior to the deadline for receipt of all Proposals, including any amendments or addenda that may expand or cancel any portion or all of the work described in this RFP.
4. CAWC reserves the right to receive questions concerning this RFP from Proposers and to provide such questions, and CAWC's responses, if any, to all Proposers.
5. CAWC reserves the right to request clarifications of information submitted in the Proposals.
6. CAWC reserves the right to modify or terminate the procurement process by written notice to the Proposers for any reason whatsoever.
7. CAWC reserves the right to change or alter the schedule for any events associated with this procurement process upon notice to the Proposers, including, without limitation, the date for receipt of Proposals or any other deadlines and dates set forth in this RFP.
8. CAWC reserves the right to issue subsequent RFPs.
9. CAWC reserves the right to conduct investigations with respect to the experience of any team member included in a Proposal and to request additional evidence to support any such information.
10. CAWC reserves the right to visit and examine any of the facilities referenced in the Proposals and to observe and investigate the operations of such facilities.
11. CAWC reserves the right to interview one or more of the Proposers, in CAWC's sole discretion, in order to obtain clarification of information provided by the Proposer.

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12. CAWC reserves the right to amend the Work described in the draft Contract, at any time, to omit Work therein or to include Work not currently contemplated therein.
13. CAWC reserves the right to determine the selected Proposer(s) with whom to negotiate the Contract.
14. CAWC reserves the right to discontinue negotiations with the selected Proposer(s) and commence negotiations with the next ranked Proposer(s).
15. CAWC reserves the right to enter into, or decline to enter into, the Contract with the selected Proposer(s) following negotiations.
16. CAWC reserves the right, for any reason, to decide not to award a Contract as a result of this procurement process.
17. CAWC reserves the right to decide on the most appropriate method for Project implementation, which may include discontinuation of this procurement process and development of the Project via another process elected by CAWC.

3.4. EXPENSE OF PROPOSAL PREPARATION

CAWC accepts no liability for the costs and expenses incurred by the Proposers in responding to this RFP, responding to clarification requests and attending discussion meetings, preparing any re-submittals, attending potential interviews and negotiations, and any other activities included as part of this procurement process. Each Proposer that enters into the procurement process shall prepare the required materials and submittals at its own expense and with the express understanding that it cannot make any claims whatsoever for reimbursement from CAWC or from any of its employees, advisors or representatives for the costs and expenses associated with the process, including, but not limited to, costs of preparation of the Proposal, loss of anticipated profits, loss of opportunity or for any other loss, cost or expense.

3.5. ADDENDA TO RFP

During the period provided for the preparation of Proposals, CAWC may issue addenda clarifying or modifying this RFP. Such addenda will be numbered consecutively and will be distributed to each Proposer's duly designated Proposal Manager. All RFP addenda will be issued by, or on behalf of, CAWC and will constitute a part of this RFP. A list of addenda will be kept on the MPWSP Website. CAWC recommends that prior to submitting its Proposal, a Proposer should contact the Procurement Contact (defined below) to verify the number and subject of the addenda that have been issued. The Proposer shall be responsible for obtaining all addenda prior to submitting a Proposal.

3.6. COMMUNICATIONS PROTOCOL

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To ensure fairness during the procurement process, until the Contract is executed or all Proposals are rejected, Proposers and their employees, representatives and agents shall not contact any CAWC employee (other than the Procurement Contact); any County of Monterey official, representative or staff member; any Monterey Peninsula Regional Water Authority official, representative, technical advisory committee member or staff member; or any Monterey Peninsula Water Management District official, representative or staff member on any matter relating to the Project, the MPWSP or this procurement process. Proposers, however, may contact, discuss with, or inquire of any permitting agency, including those identified above, about the Project or the MPWSP but only for the limited purpose and within the limited scope of obtaining information relating to the permitting requirements for the Project. Failure to adhere to these requirements may result in disqualification from the procurement process.

All formal questions regarding interpretations or clarification of the meaning of any part of this RFP or other documents provided by CAWC shall be made in writing or by email to Jay Drewry (the “Procurement Contact”) at the following address:

CALIFORNIA AMERICAN WATER
511 FOREST LODGE ROAD, SUITE 100
PACIFIC GROVE, CA 93950
Attn: Jay Drewry, Senior Buyer
jay.drewry@amwater.com

The Proposers shall submit questions and requests for clarifications no later than 5:00 p.m. PDT on the date indicated in Section 3.1 of this RFP. All questions and clarification requests shall be in writing, and Proposers are encouraged to submit such questions and clarification requests in advance of the above deadline. Only answers issued by formal written addenda or as posted on the MPWSP Website shall be binding upon CAWC. Oral and other interpretations or clarifications shall not be binding and Proposers shall not rely on any such responses.

3.7. USE OF TECHNICAL INFORMATION

By submitting a Proposal, Proposers agree that regardless of whether CAWC awards the Contract, CAWC shall have the right to use (or permit the use of) all information submitted pursuant to this RFP, including the data, information, concepts and ideas contained therein, without any requirement of providing compensation to the Proposer, for all purposes associated with the continued development, implementation, or operation of the Project. Notwithstanding the foregoing, other than the use of data, information, concepts and ideas contained in the selected Proposer’s Proposal for the Project, CAWC agrees that any such use of Proposals by CAWC without the applicable Proposer’s consent shall be at the sole risk of CAWC.

3.8. INFORMATION DISCLOSURE TO THIRD PARTIES

Per section V(D) of the Governance Committee Agreement, at the appropriate time CAWC will provide the Governance Committee a copy of all responsive Proposals received, except for any proprietary information provided by Proposers submitting responsive Proposals. This may be accomplished by posting the Proposals on the MPWSP Website. If a Proposer identifies proprietary information in its Proposal, CAWC will use reasonable efforts to hold in confidence

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such proprietary information. Notwithstanding the foregoing, CAWC will not be responsible or liable in any way for any losses that the Proposer may suffer from the disclosure of information or materials to third parties. Any proposed pricing shall not be considered proprietary information.

CAWC will notify the Proposer of any requests under applicable law to disclose any information identified by a Proposer as proprietary. However, it is the responsibility of the Proposer, as the real party in interest, to defend its basis for exemption from disclosure of such information in accordance with applicable law.

3.9. PRIOR EXPERIENCE

In order for offers to be considered responsive Proposers must meet these minimum prior experience requirements:

- Proposer shall have completed at least 3 projects during the past 2 years of similar size and scope in nature as the projects specified herein.
 - Provide references including contact information for at least two projects referenced.
- Be properly licensed and provide evidence your firm can perform this work within the State of California.

Proposer's failure to meet these minimum prior experience requirements may cause their proposal to be considered non-responsive and their proposal may be rejected.

3.10. EVALUATION AND RANKING OF PROPOSALS

The Selection Committee will evaluate the Proposals in the manner set forth in Section 5 of this RFP. The results of the evaluation will be a selection of the most advantageous Proposer.

The Selection Committee will: (i) review the Proposals; and (ii) rank the Proposals using the criteria detailed in Section 5 of this RFP.

The evaluation of the technical and financial qualifications shall be based on the Proposals received in compliance with this RFP and an analysis of other publicly available information with respect to the Proposers. CAWC may conduct such investigations, interviews, and site visits as it deems necessary to assist in the evaluation of any Proposal, and to establish to CAWC's satisfaction with the responsibility, qualifications, and financial ability of any Proposer.

3.11. NEGOTIATION OF CONTRACT

The Proposer(s) selected for negotiations shall be determined based upon the evaluation and ranking of the Proposals by the Selection Committee consistent with the requirements set forth in this RFP.

Proposers are reminded that, pursuant to Section 2.8 of this RFP, acceptance of any suggestions included in the Proposer's mark-up of the draft Contract submitted by the Proposer is at CAWC's sole discretion and that CAWC does not intend to discuss or negotiate any issue, term or condition

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that is not specifically identified therein. At any time during the negotiation process, CAWC may decide that it is in CAWC's best interests to terminate negotiations with the selected Proposer(s). In such event, CAWC may elect to commence negotiations with the next highest ranked Proposer(s), to terminate this procurement, or to re-solicit proposals under this, or a different, RFP. As shown on the schedule set forth in Section 3.1, CAWC does not intend to have an extended period of negotiation.

Following the negotiation of the Contract(s) and review of the Contract(s) by the Governance Committee pursuant to the Governance Committee Agreement, CAWC intends to execute the Contract(s).

**SECTION 4
PROPOSAL REQUIREMENTS**

4.1. OVERVIEW OF SUBMISSION REQUIREMENTS AND CRITERIA FOR PROPOSALS

Proposers shall submit a fully developed Proposal in accordance with the instructions provided in this Section.

Proposals shall meet or exceed the construction requirements provided in the Contract.

Proposers shall provide the information requested in this RFP in accordance with the format and content requirements outlined in this Section. Failure of the Proposer to provide all of the requested information and to provide it in the requested format may result in CAWC, in its sole discretion, determining that the Proposal is non-responsive to the requirements of this RFP.

4.2. PROPOSAL FORMAT

Proposals shall be spiral bound (or similar, such as 3-ring binders) and shall consist of four sections in accordance with the format outlined below. Narrative pages shall be 8-1/2 inches by 11 inches, printed single or double sided and typed with a minimum 11-point font (unless otherwise stated). Diagrams and figures may be printed on 11-inch by 17-inch paper. All descriptive text on diagrams and figures must be easily readable; 10-point font is acceptable as long as it is easily readable. Proposers shall incorporate graphics (*e.g.*, process flow diagrams and drawings) as necessary to clearly present their Proposals. A clear and concise presentation of information is encouraged within the size limitations established for the Proposal. Proposals shall be in the English language.

Failure of the Proposer to organize the information as required by this Section of this RFP may result in rejection of the Proposal by CAWC, in its sole discretion, deeming the Proposal unresponsive to the requirements of the RFP. Proposers may reduce the repetition of identical information within the several sections of Proposals by making the appropriate cross-references to other sections of their Proposals and Proposal Forms.

The complete Proposal format requirements are outlined as follows:

Section 1.0 Executive Summary

- A.** Proposal Form 1: Transmittal Letter
- B.** Executive Summary
- C.** Proposal Form 2: Non-Collusion Affidavit
- D.** Proposal Form 3: Disclaimer Statement

Section 2.0 Project Team Information

- A.** General Project Team Information
- B.** Proposal Form 4: Key Personnel
- C.** WMDVBE Utilization Plan
- D.** Local Resources Utilization Plan

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Section 3.0 Technical Proposal

- A. Proposal Form 10: Preliminary Project Schedule, Scheduled Construction Date, and Scheduled Acceptance Date
- B. Plan for Acceptance Testing

Section 4.0 Business and Price Proposal

- A. Summary of Business and Price Proposal
- B. Bid Package
- C. Proposal Form 11: Acceptance of Contract
- D. Proposal Form 12: Form of Proposal Bond
- E. Proposal Form 13: Price Escalator Indices

4.3 PROPOSAL SUBMISSION

4.3.1 Proposal Deadline

Proposals, including all attachments, shall be delivered in a sealed package addressed to:

CALIFORNIA AMERICAN WATER
511 FOREST LODGE ROAD, SUITE 100
PACIFIC GROVE, CALIFORNIA 93950
Attn: Jay Drewry, jay.drewry@amwater.com

The Proposal shall include the following information on the outside of the envelope(s) or box(es): (1) Name of Proposer and (2) "Proposal for Castroville Pipeline for the Monterey Peninsula Water Supply Project". Proposals will not be opened publicly.

The Proposals, including applicable Proposal Forms, shall be signed and acknowledged by the Proposer in accordance with the instructions herein. Proposals shall be delivered to and be received by CAWC at the above address **on or before 3:00 pm PDT on Month Day, 2018**. Any Proposal received after that time may be returned unopened to the Proposer.

4.3.2 Number of Copies

At least one original signed copy. Proposals shall be complete with all requested information, data and attachments. If more than one copy is provided, the original copy of the Proposal must be clearly marked as the original and must contain the original signature forms and other original documents. The remaining copies of the Proposal may be reproductions and Proposer shall number each hard copy in sequential order on the upper right corner of each cover. Proposer shall also include a thumb drive which contains electronic copy of the proposal documents in PDF format.

4.4 PROPOSAL CONTENTS

The Proposer shall provide the appropriate information in accordance with the content and format requirements set forth in each of the following submission subsections.

Proposers are advised that, if selected, as part of the Contract negotiation phase, portions of the information contained in its Proposal will be included or integrated into the Contract, as negotiated by the parties based on the RFP and Proposal.

4.4.1 Section 1.0: Executive Summary

A. Proposal Form 1: Transmittal Letter

Each Proposal must include one fully executed and notarized Transmittal Letter from the Proposer acknowledging, among other things, that the Proposer has completely reviewed and understands and agrees to be bound by the requirements of this RFP and has received all addenda. Such letter commits the Proposer, if selected, to carry out the provisions of the Proposal. The Transmittal Letter shall be submitted on the Proposer's letterhead in the form of Proposal Form 1 and signed by a representative of the Proposer who is empowered to sign such material and to commit the Proposer to the obligations contained in the Proposal (the "Designated Signatory"). The Certificate of Authorization (Attachment 1 to the Transmittal Letter) attesting to such authorization must also be submitted with the Transmittal Letter. If the Proposer is a partnership, the Proposal shall be signed by one or more of the general partners. If the Proposer is a corporation, an authorized officer shall sign his or her name and indicate his or her title beneath the full corporate name. If the Proposer is a joint venture, each firm in the joint venture shall sign the Transmittal Letter. If the Proposer is a limited partnership or a limited liability company, the Proposal shall be executed by the managing partner(s) or managing member thereof. Anyone signing the Proposal or any Proposal Form as agent must file with it legal evidence of his or her authority to execute such Proposal or Proposal Form. The Designated Signatory shall sign all forms that require the signature of the Proposer. The Transmittal Letter must also contain a listing of all firms that are part of the Proposer's Project team (Attachment 2 to the Transmittal Letter) and a listing of all applicable licenses (Attachment 3 to the Transmittal Letter). A summary of the role for each member of the Proposer's Project team shall be included.

B. Executive Summary

The Proposer shall submit an executive summary detailing the key aspects of the Proposal. The executive summary should include a clear statement of the Proposer's understanding of the RFP, identify the Proposer's key team members and their respective roles with respect to the proposed Project, briefly describe the proposed processes, and summarize the other significant aspects of the Proposal noting how the Proposer meets the requirements of the RFP and the Contract. The executive summary shall include the following charts and diagrams:

- Project Team (8½" x 11", 1 page)
- Preliminary Proposed Staging Plan (11" x 17", 1 page)

C. Proposal Form 2: Non-Collusion Affidavit

Proposers shall complete and sign Proposal Form 2, which acknowledges that the Proposal has been made and submitted in good faith and without collusion or fraud.

D. Proposal Form 3: Disclaimer Statement

Proposers shall be responsible for independently verifying the accuracy of all the information contained in the RFP. Proposers shall complete and sign Proposal Form 3 which releases CAWC and CAWC Representatives (as defined therein) from any and all claims arising from any information contained in or otherwise provided in connection with this RFP, except as otherwise specifically provided in the Contract.

4.4.2 Section 2.0: Project Team Information

A. General Project Team Information

The Proposal shall include a description of the Proposer, *i.e.*, the form of business structure (corporation, partnership, joint venture, etc.) that is proposed to serve as the contracting party. A Project organization chart is required which shall include a full-page diagram of the legal relationships between all parties of the Proposer's Project team and a clear description of the ownership structure of all Project team members. If the Proposer is a partnership or a joint venture, all members of the Proposer shall be listed.

The Proposal shall identify the portions of the Project that will be undertaken directly by the Proposer and what portions of the Project will be subcontracted and to which firms (collectively, "Significant Subcontractors"). The Project organization chart shall also show all Key Personnel (identified on Proposal Form 4, below) and lines of authority.

The Proposer shall also identify any other entity, including, without limitation, any corporation, partnership, firm, joint venture, or individual to which the Proposer intends to assign material responsibilities under the Contract. At a minimum, the Proposal shall identify the parties that will undertake the various roles required to perform the Work.

The proposed contractual relationships between the Proposer and all major partners and Significant Subcontractors relative to the various phases of the Project (*e.g.* construction, commissioning) shall be outlined in the Proposal. CAWC reserves the right to request copies of such contracts as part of the Proposal review process.

In addition, Proposers shall indicate the current workload of the key Project team members and shall provide a description of how the Project team will manage the workload in a manner that will assure the timely, cost-effective delivery of the Work.

B. Proposal Form 4: Key Personnel

The Proposer shall complete Proposal Form 4 for all Key Personnel, which shall include the following individual team members (as applicable):

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1. Executive and Program Leadership;
2. Overall Project Manager;
3. Construction Superintendent;
4. Safety Manager;
5. QA/QC Manager;
6. Commissioning Manager.

Additional forms may be provided for other Key Personnel critical to completion of the Project. Where one individual or team member performs several functions, information shall be provided on immediate subordinates. The Proposers shall demonstrate that the Key Personnel include the appropriate mix of skills and disciplines, that there shall be assurance of continuity throughout performance of the Work, and that there is definitive authority vested in the appropriate individuals to fully execute the Project. The Proposer shall submit a statement attesting to the Proposer's commitment to keep the individuals so identified for the duration of the intended role in the Project for each individual. This commitment is to last as long as each individual remains in the employ of the Proposer, subject only to unavoidable personal circumstances affecting the Key Personnel. The Proposal shall identify where Key Personnel will be located during the execution of the Project.

C. WMDVBE Utilization Plan

As described in Section 2.9 of this RFP, Proposers must prepare and submit a WMDVBE Utilization Plan as part of its Proposal on the attached Supplier Diversity plan document (pages 4 through 6). The WMDVBE Utilization Plan is a written commitment to contract with WMDVBES that have been certified through the CPUC's Supplier Clearinghouse, as part of the Project. CAWC has established a combined WMDVBE participation goal for the Project of thirty percent (30%) of the Contract Price. CAWC will require that the Contractor monitor and report the continued implementation of the WMDVBE program goals, as stated in the WMDVBE Utilization Plan, throughout performance of the Contract.

D. Local Resources Utilization Plan

As described in Section 2.10 of this RFP, Proposers must prepare and submit a Local Resources Utilization Plan as part of its Proposal. The Local Resources Utilization Plan shall include that the Contractor will make a good faith effort to employ qualified individuals who are, and have been for at least one year out of the three years prior to the opening of Proposals, residents of Monterey County, San Benito County, or Santa Cruz County in sufficient numbers so that no less than fifty percent (50%) of the Contractor's total construction work force, including any Subcontractor work force (with exception of specialty subcontractor items), measured in labor work hours, is comprised of residents of such counties. CAWC will require that the Contractor monitor and report the continued implementation of the Local Resources Utilization Plan throughout performance of the Contract.

E. Section 3.0: Technical Proposal

This section of the Proposal shall present the technical aspects of the Proposer's plan to provide the Work. Each Proposer shall provide a description of the proposed Project and the information

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necessary to convey a clear understanding of the proposed systems and equipment, as well as a description of the approach to the performance of the Work in accordance with the requirements set forth in this Section. The Proposer's technical submission shall be in sufficient detail so that CAWC can ascertain the Proposer's ability to comply with the performance and quality level requirements set forth in the draft Contract. The organization of the technical information submitted shall be in a format that can be easily incorporated into the final Contract.

F. Preliminary Project Schedule, Scheduled Construction Date, and Scheduled Acceptance Date

The Proposer shall provide a list of proposed major milestones, durations and completion dates for major activities important to procurement, permitting, construction, and commissioning activities in Proposal Form 10. The list shall start with the effective date of the Contract and end upon final completion and shall clearly indicate the extent to which the Proposer has included float in the schedule. These major milestones, activity durations, and completion dates will comprise the preliminary Project schedule. The Proposer shall provide copies of this preliminary Project schedule in both written and electronic formats with the Proposal. The level of detail shall be summary level for major procurement, construction, commissioning and acceptance testing activities in accordance with the requirements specified in Proposal Form 10.

G. Plan for Acceptance Testing

The Proposal shall describe the Proposer's approach for making the transition from the Work to the warranty period under the Contract. The Proposer shall provide an overview of its approach for the transition in its Proposal as such transition plans may not be finalized. Requirements for commissioning and for training of CAWC's staff are in the draft Contract.

4.4.3 Section 4.0: Business and Price Proposal

This section of the Proposal shall present the business and pricing aspects of the Proposal. While CAWC anticipates entering into the Contract with the selected Proposer(s) in accordance with the schedule set forth in Section 3 of this RFP, it is possible that the execution of the Contract will be delayed due to unforeseen circumstances. The following subsections outline the information that shall be included in the Proposer's business and price submission.

A. Summary of Business and Price Proposal

Proposers shall provide a summary of the key aspects of its business and price proposal with reference to the applicable Proposal Forms and bid packages, including the bid packages discussed below and the Proposal Forms required above with respect to the financial capacity of the Proposer.

B. Attachment C: Bid Package

Attachment C consists of the bid package. The bid package prices shall include all costs for performing the corresponding Work. The bid package prices shall also include the costs associated with the required insurance, performance bond and payment bond, as well as any other costs associated with the Work necessary to achieve final completion. Proposers shall propose their bid

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package prices with the understanding that there is no intention on the part of CAWC to request further “best and final offers.”

The total Contract Price and each line item price shall be inclusive of all applicable taxes (including California sales taxes on purchases of materials at the applicable tax rate). The Contractor will be responsible for paying all such taxes in accordance with applicable law.

C. Proposal Form 11: Acceptance of Contract

The Proposer shall complete Proposal Form 11 by agreeing to all of the terms and conditions of the draft Contract except for those suggested changes submitted as an attachment to Proposal Form 11. As indicated in Section 2.8.2 of this RFP, while CAWC requests Proposers to base their Proposals on the terms and conditions set forth in the draft Contract included with this RFP, CAWC recognizes that Proposals may be conditioned on the mutual resolution of specific issues identified in Proposal Form 11. Any requested changes that are conditions of the Proposal must be clearly identified as such. Please refer to Sections 2.8 and 3.11 of this RFP for a discussion concerning CAWC’s expectations concerning the Contract and the negotiation process.

D. Proposal Form 13: Price Escalator Indices

The Proposer shall complete Proposal Form 13 by providing at least one and no more than five indices that it proposes to use as the Price Escalator as described in the draft Contract. The Proposer shall also include the corresponding percentage to be used for each index, totaling 100%. The indices provided will be included in the Contract following successful negotiation.

4.5 PROPOSAL FORMS GENERALLY

To be deemed responsive to this RFP, Proposers shall provide all the requested information and complete all details provided in the Proposal Forms attached to this RFP. All Proposal Forms shall be completed in ink or typewritten and submitted in accordance with the instructions set forth in this Section 4 of this RFP.

The Proposal Forms require Proposer-specific information to be inserted in order to be properly completed. Once the Proposer is selected, certain Proposal-specific information submitted in their Proposal and the Proposal Forms may be included as part of the Contract, as appropriate.

Electronic versions of the Proposal Forms in Microsoft Word® format have been provided to Proposers on the MPWSP Website.

**SECTION 5
EVALUATION OF PROPOSALS**

5.1. EVALUATION OF PROPOSALS

Proposals will be evaluated by the Selection Committee based on the Proposer’s ability to meet the performance requirements of this RFP and the Contract in a cost-effective manner. All Proposals must be complete and in conformance with the submission requirements established in this RFP.

Proposals will first be individually evaluated for completeness and for conformance with the requirements set forth in this RFP. Any Proposal that the Selection Committee determines is incomplete or otherwise not in conformance with the submission requirements of this RFP may be deemed non-responsive and thereby rejected in its entirety by the Selection Committee. Alternatively, in its discretion, CAWC may request that a Proposer submit any information necessary to make its Proposal complete and/or in conformance with requirements. Proposals deemed responsive and in conformance with the submission requirements of this RFP will be evaluated by the Selection Committee through the application of the evaluation criteria to the Proposal, as described in Section 5.2 of this RFP.

5.2 EVALUATION CRITERIA

The specific criteria to be used by the Selection Committee in the evaluation of the Proposals include both technical criteria and business/financial criteria. Technical criteria are allotted a total of 40 points (out of 100) and include: (1) Project Delivery, (2) Safety, (3) Construction Management, (4) Quality Control, and (5) Schedule each as further detailed below. Commercial terms are allotted a total of 60 points (out of 100) and include (1) Cost Effectiveness (*i.e.*, price) and (2) Business Terms and Conditions, as further detailed below.

5.2.1 Weighting of Evaluation Criteria

The specific weighting for each evaluation criterion is as follows:

Technical Criteria

40 points

- Project Delivery
- Safety
- Construction Management
- Quality Control
- Schedule

Business and Financial Criteria

60 points

- Cost Effectiveness of Proposal (including the WMDVBE Utilization Plan and the Local Resources Utilization Plan)

- Business Terms and Conditions

Total

100 points

5.2.2 Technical Criteria

Proposers shall be evaluated based upon the Proposer's ability to successfully implement the proposed Work and to meet CAWC's desired schedule for the implementation of the Project. The Selection Committee will conduct an assessment of the Proposer's schedule and approach for construction management.

Proposer's approach to project planning, purchasing, coordination of subcontractors, and sequencing and managing the construction activities to meet the schedule will be evaluated, as well as the expertise and management capability to integrate the required expertise of the Project team members for the overall benefit of the Project. Particular attention will also be given to the Proposer's understanding and inclusion in the schedule of the requirements necessary to test equipment, commission the Project, and conduct the acceptance testing. CAWC will evaluate the Proposer's approach to avoiding adverse environmental impacts, protecting natural resources, and mitigating environmental impacts. Evaluating the Proposal with respect to Project delivery also includes an assessment of current and projected workloads of the Proposer, and the Proposer's ability to meet the construction schedule for the proposed Project. The Proposer's approach to construction management and scheduling the construction, commissioning, start-up and acceptance test activities will also be evaluated.

Safety experience rating for the last three years shall also be considered in this evaluation.

5.2.3 Business and Financial Criteria

Terms and Conditions

CAWC will evaluate the extent to which the Proposer accepts the terms and conditions set forth in the draft Contract included with this RFP or otherwise proposes terms and conditions that are more favorable to CAWC than the terms and conditions set forth in the draft Contract. Suggested changes, including, particularly, changes that are indicated to be conditions of the Proposal, will be carefully considered and evaluated to determine whether the suggested changes, taken as a whole, would result in a less favorable Contract to CAWC. Proposers are reminded that proposed changes to the terms and conditions that are conditions of the Proposal and that substantially change the nature of the transaction or the scope of work may result in the rejection of a Proposal as non-responsive to the requirements of this RFP, notwithstanding the relative weight assigned to the proposed business terms and conditions in this RFP. Proposers will also be evaluated on their WMDVBE Utilization Plan and their Local Resources Utilization Plan.

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**ATTACHMENT A
PROPOSAL FORMS**

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PROPOSAL FORM 1

TRANSMITTAL LETTER

(to be typed on Proposer's Letterhead)

[Date]

[

_____]

Re: Monterey Peninsula Water Supply Project – Castroville Pipeline

Dear Sir/Madam:

_____ (the "Proposer") hereby submits its Proposal in response to the Request for Proposals for the Monterey Peninsula Water Supply Project Castroville Pipeline (the "RFP") issued by California-American Water Company ("CAWC") on XXXX XX, 2019, as amended.

As a duly authorized representative of the Proposer, I hereby certify, represent, and warrant, on behalf of the Proposer team, as follows in connection with the Proposal:

1. The Proposer acknowledges receipt of the RFP and the following addenda:

<u>No.</u>	<u>Date</u>
_____	_____
_____	_____
_____	_____

- 5.2.3.1.1 The submittal of the Proposal has been duly authorized by, and in all respects is binding upon, the Proposer. Attachment 1 to this Transmittal Letter is a Certificate of Authorization which evidences my authority to submit the Proposal and bind the Proposer.
- 5.2.3.1.2 All information and statements contained in the Proposal are current, correct and complete, and are made with full knowledge that CAWC will rely on such information and statements in selecting the most advantageous Proposal to CAWC and executing the Contract.
- 5.2.3.1.3 Attachment 2 to this Transmittal Letter sets forth the Proposer's Project team and identifies each team member's proposed role with respect to the Project. Attachment 3 to this Transmittal Letter provides licensing information for each Project team member.

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- 5.2.3.1.4 Proposal Form 7 evidences the intent of _____, the Proposer’s qualified surety company, to issue the Performance Bond as security for the performance of the Proposer’s Work obligations under the Contract, as negotiated between the parties based upon the RFP and the Proposal.
- 5.2.3.1.5 Proposal Form 8 evidences the intent of _____, the Proposer’s qualified surety company, to issue the Payment Bond as security for the performance of the Proposer’s Work payment obligations under the Contract, as negotiated between the parties based upon the RFP and the Proposal.
- 5.2.3.1.6 Proposal Form 9 evidences the intent of _____, the Proposer’s qualified insurer, to provide the insurance required under the Contract, as negotiated between the parties based upon the RFP and the Proposal.
- 5.2.3.1.7 Neither the Proposer nor any Project team member is currently suspended or debarred from doing business in the State of California;
- 5.2.3.1.8 There is no action, suit or proceeding, at law or in equity, before any court or similar governmental body, against the Proposer, wherein an unfavorable decision, ruling or finding would have a materially adverse effect on the ability of the Proposer to perform their respective obligations under the Contract or the other transactions contemplated hereby, or which, in any way, would have a materially adverse effect on the validity or enforceability of the obligations proposed to be undertaken by the Proposer, or any Contract or instrument entered into by the Proposer in connection with the transactions contemplated hereby.
- 5.2.3.1.9 No corporation, partnership, individual or association, officer, director, employee, manager, parent, subsidiary, affiliate or principal shareholder of the Proposer has been adjudicated to be in violation of any state or federal anti-trust or similar statute within the preceding five years, or previously adjudged in contempt of any court order enforcing such laws.
- 5.2.3.1.10 The Proposer and all Project team members have reviewed all of the engagements and pending engagements of the Proposer and all Project team members and no potential exists for any conflict of interest or unfair advantage.
- 5.2.3.1.11 No person or selling agency has been employed or retained to solicit the award of the Contract under an arrangement for a commission, percentage, brokerage or contingency fee or on any other success fee basis, except bona fide employees of the Proposer.
- 5.2.3.1.12 The principal contact person who will serve as the interface between CAWC and the Proposer for all communications is:

NAME: _____
TITLE: _____
ADDRESS: _____

PHONE: _____
FAX: _____

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EMAIL: _____

5.2.3.1.13 The key technical and legal representatives available to provide timely response to written inquiries submitted and to attend meetings requested by CAWC are:

Technical Representative:

NAME: _____
TITLE: _____
ADDRESS: _____

PHONE: _____
FAX: _____
EMAIL: _____

Legal Representative:

NAME: _____
TITLE: _____
ADDRESS: _____

PHONE: _____
FAX: _____
EMAIL: _____

5.2.3.1.14 The Proposer has carefully examined all documents constituting the RFP and the addenda thereto.

5.2.3.1.15 The Contract in the form issued with this RFP is agreed to, except where changes have been requested in Proposal Form 11 and such changes have been indicated as conditions of the Proposal.

5.2.3.1.16 If selected, the Proposer agrees to negotiate in good faith to enter into a Contract that reflects the substantive terms and conditions of the RFP and the Proposal.

5.2.3.1.17 The Proposer has submitted all Proposal Forms and applicable bid packages and such Proposal Forms and applicable bid packages are a part of this Proposal.

Having carefully examined the RFP and all other documents bound therewith, together with all addenda thereto, all information made available by CAWC, and being familiar with the Project (as described in the RFP and the Contract) and the various conditions affecting the work, the Proposer hereby offers to furnish all labor, materials, supplies, equipment, facilities and services which are necessary, proper or incidental to carry out such work as required by and in strict accordance with the RFP and the Proposal, all for the prices set forth in the submitted bid packages.

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Name of Proposer

Name of Designated Signatory

Signature

Title

Note: If this Proposal is being submitted by a corporation, the Proposal shall be executed in the corporate name by the president or other corporate officer with authority to bind the corporation, and the corporate seal shall be affixed and attested to by the clerk. A certificate of the secretary of the corporation evidencing the officer's authority to execute the Proposal shall be attached.

If this Proposal is being submitted by a joint venture or general partnership, it shall be executed by all partners, and any partner that is a corporation shall follow the requirements for execution by a corporation, as set forth above.

If this Proposal is being submitted by a limited partnership or a limited liability company, it shall be executed by the managing partner(s) or managing member thereof, and such shall also submit proof of authority to so execute the Proposal, in a form satisfactory to CAW. Any partner or member that is a corporation shall follow the requirements for execution by a corporation, as set forth above.

(Use State-Appropriate form for Notary Public)

State of _____

County of _____

On this _____ day of _____, 2018, before me appeared [DESIGNATED SIGNATORY], who is [INSERT TITLE] of [INSERT PROPOSER], a [INSERT STATE AND TYPE], personally known to me to be the person described in and who executed this Transmittal Letter and acknowledged that she/he signed the same freely and voluntarily for the uses and purposes therein described.

**Monterey Peninsula Water Supply Project
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In witness thereof, I have hereunto set my hand and affixed my official seal the day and year last written above.

Notary Public in and for the State of _____
(Seal)

(Name Printed)

Residing at _____

Commission Number _____

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Attachment 1

CERTIFICATE OF AUTHORIZATION*

I, _____, a resident of [INSERT CITY] in the State of [INSERT STATE], DO HEREBY CERTIFY that I am the Clerk/Secretary of [INSERT PROPOSER NAME], a [corporation] duly organized and existing under and by virtue of the laws of [INSERT STATE]; that I have custody of the records of such [corporation]; and that as of the date of this certification, [INSERT DESIGNATED SIGNATORY NAME] holds the title of [INSERT TITLE] of the [corporation], and is authorized to execute and deliver in the name and on behalf of the [corporation] the Proposal submitted by the [corporation] in response to the Request for Proposals for Monterey Peninsula Water Supply Project Castroville Pipeline, issued by California-American Water Company on XXXX XX, 2019, as amended; and all documents, letters, certificates and other instruments which have been executed by such officer on behalf of the [corporation] in connection therewith.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the [corporate] seal of the [corporation] this _____ day of _____ 2019.

(Affix Seal Here)

Clerk/Secretary

** Note: Separate certifications shall be submitted if more than one corporate officer has executed documents as part of the Proposal. Proposers shall make appropriate conforming modifications to this Certificate in the event that the signatory's address is outside of the United States.*

**Monterey Peninsula Water Supply Project
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Attachment 2

PROJECT TEAM MEMBER LIST

Proposals shall identify the names and roles of the Proposer and any Significant Subcontractors and all other Project team members identified to date:

NAME:

ROLE:

Name of Proposer

Name of Designated Signatory

Signature

Title

**Monterey Peninsula Water Supply Project
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Attachment 3

PROJECT TEAM LICENSE LIST

Attach corresponding copies of applicable licenses

License No.	Classification	Name of Licensee	Renewal Date	Active (Yes/No)

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PROPOSAL FORM 2

NON-COLLUSION AFFIDAVIT

STATE OF _____)
 : SS.:
COUNTY OF _____)

I, [INSERT DESIGNATED SIGNATORY NAME], a resident of [INSERT CITY], in the State of [INSERT STATE], of full age, being duly sworn according to law, on my oath depose and say that:

- 5.2.3.1.17.1.1.1.1.1 I am the [INSERT TITLE] of, [INSERT PROPOSER], formed in the state of [INSERT STATE], the Proposer making the Proposal in response to the Request for Proposals for the Monterey Peninsula Water Supply Project Castroville Pipeline issued by California-American Water Company on XXXX XX, 2019, as amended, and that I executed said Proposal with full authority to do so;
- 5.2.3.1.17.1.1.1.1.2 The prices in this Proposal have been arrived at independently without collusion, fraud, consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with any other Proposer or with any competitor;
- 5.2.3.1.17.1.1.1.1.3 Unless otherwise required by law, the prices which have been quoted in this Proposal have not been knowingly disclosed by the Proposer and will not knowingly be disclosed by the Proposer prior to opening, directly or indirectly, to any other Proposer or to any competitor; and
- 5.2.3.1.17.1.1.1.1.4 No attempt has been made or will be made by the Proposer to induce any other person or entity to submit or not to submit a Proposal for the purpose of restricting competition.

I, hereby affirm under the penalties of perjury that the foregoing statements are true.

Name of Proposer

Name of Designated Signatory

Signature

Title

**Monterey Peninsula Water Supply Project
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(Use State-Appropriate Form for Notary Public)

State of _____

County of _____

On this _____ day of _____, 2019, before me appeared [DESIGNATED SIGNATORY], who is [INSERT TITLE] of [INSERT PROPOSER], a [INSERT STATE AND TYPE], personally known to me to be the person described in and who executed this Transmittal Letter and acknowledged that she/he signed the same freely and voluntarily for the uses and purposes therein described.

In witness thereof, I have hereunto set my hand and affixed my official seal the day and year last written above.

Notary Public in and for the State of _____

(Seal)

(Name Printed)

Residing at _____

Commission Number _____

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PROPOSAL FORM 3

DISCLAIMER STATEMENT

The information contained in or otherwise provided in connection with the Request for Proposals for the Monterey Peninsula Water Supply Project Castroville Pipeline (the “RFP”) issued by California-American Water Company (“CAWC”) on XXXX XX, 2019, as amended, has been prepared by CAWC and, while such information is believed to be accurate and reliable, except as otherwise expressly set forth in the RFP, CAWC makes no representation as to such accuracy or reliability. In no way shall any such information constitute a representation or warranty by CAWC or any of its officials, employees, agents, consultants, attorneys, representatives, contractors, or subcontractors (the “CAWC Representatives”). The Proposer hereby releases and forever discharges CAWC and the CAWC Representatives from any and all claims which such Proposer has, had or may hereafter have arising out of any information contained in or otherwise provided in connection with the RFP. Any party who intends to submit a response to this RFP is specifically invited to independently verify the accuracy of the information contained herein.

Name of Proposer

Name of Designated Signatory

Signature

Title

PROPOSAL FORM 4

KEY PERSONNEL¹

(Copy and complete this form for Key Personnel. Attach additional pages along with organizational charts as needed)

General Information²

Name: _____

Firm: _____

Title: _____

Year employed by firm: _____ years

Total Professional Experience: _____ years

Professional Registration and Licenses (type/number/state/year)³ _____

Project-Specific Information

Title/Assignment _____

Description of Role/Responsibilities:

Commitment⁴	Permitting _____ %	Construction _____ %
	_____	Startup and Testing: _____ %

Footnotes:

- ¹ Proposers shall duplicate this form for all Key Personnel. Refer to subsection 4.4.2 of the RFP for a list of the minimum personnel for which this form shall be completed.
- ² Please indicate any staff that has changed from that provided in the Statement of Qualifications in accordance with subsection 4.4.2 of the RFP. Attach pages as necessary.
- ³ Where applicable, key construction personnel must provide either: (1) proof of current California licensure; or (2) if not currently licensed in California, a detailed plan to obtain a required California license no later than the effective date of the Contract.
- ⁴ Commitment indicates the amount of time (in percent) that the individual would be available to work on the Project during the construction, start-up and testing phases of the Project. Indicate by "N/A" where the individual is not proposed to be involved in a particular phase of the Project.

PROPOSAL FORM 10

**PRELIMINARY PROJECT SCHEDULE, SCHEDULED CONSTRUCTION DATE AND
SCHEDULED ACCEPTANCE DATE**

The Proposer shall submit a preliminary Project schedule with the Proposal that includes important construction activities and milestones from issuance of the Notice to Proceed through final completion. This preliminary Project schedule shall be submitted in both written and electronic formats. The level of detail shall be in summary level for major procurement and construction activities. Major milestones throughout the construction period shall be included.

The preliminary Project schedule shall consist of, but not be limited to, the following:

- (i) Important procurement activities and milestones
- (ii) Important construction activities and milestones
- (iii) Important commissioning and testing milestones
- (iv) It shall indicate the sequence of Work and the time of starting and completing each part.

In addition, the Proposer shall summarize and provide a list of proposed major milestones and completion dates including, but not limited to:

- 5.2.3.2 Issuance of Notice to Proceed
- 5.2.3.3 Expected delivery of all materials and equipment
- 5.2.3.4 Date of construction commencement
- 5.2.3.5 Completion of major structures
- 5.2.3.6 Commissioning and functional testing commencement
- 5.2.3.7 Substantial Completion Date
- 5.2.3.8 Acceptance test
- 5.2.3.9 Date of acceptance
- 5.2.3.10 Date of Completion and readiness for final payment

The Proposer shall use the following format to provide this information:

**Monterey Peninsula Water Supply Project
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TABLE 5-1 MAJOR ACTIVITIES AND MILESTONES¹		
ACTIVITY NUMBER	ACTIVITY/MILESTONE	DATE²

Name of Proposer

Name of Designated Signatory

Signature

Title

Footnotes:

¹ List each major activity and milestone separately.

² Indicate the end of activity or date milestone achieved.

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PROPOSAL FORM 11

ACCEPTANCE OF THE CONTRACT

Proposer agrees to all of the provisions of the draft Contract except as expressly provided in the track changes or redline version of the draft Contract that is attached to this Proposal Form.

Name of Proposer

Name of Designated Signatory

Signature

Title

PROPOSAL FORM 13

PRICE ESCALATOR INDICES

PRICE INCREASE USING CONSUMER PRICE INDEX:

The unit price includes the costs of bonds, insurance, permits, sales tax, overhead, profit and all other costs.

Consumer Price Index (CPI): *Contract prices for Services will remain firm through (Enter Month, Day Year).*

Contractor must request price adjustments, in writing, 30 days prior to the adjustment date of requested increase. If a contractor fails to request a CPI price adjustment 30 days prior to the adjustment date, the adjustment will be effective 30 days after CAWC receives and approves their written request.

Price adjustments will be made in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index (CPI-U) for Urban Wage Earners and Clerical Workers (Current Series), West Region All Items.

The price adjustment rate will be determined by comparing the percentage difference between the CPI in effect for the base year six-month average (January through June OR July through December); and each (January through June OR July through December six-month average) thereafter. The percentage difference between those two CPI issues will be the price adjustment rate. No retroactive contract price adjustments will be allowed.

<https://www.bls.gov/data/>

The following example indicates how to adjust contract pricing when using the CPI as a contract price adjustment clause: *(Remember, all price adjustments should be rounded to equal the pricing structure of the contract in question. For example, if the unit price is \$100, make sure that you round the CPI adjusted price to the same number of decimal places to ensure accuracy).*

EXAMPLE

First Contract Adjustment date: March 1, 2018
Price to be adjusted: \$250
Adjustment period: Annually

CPI Index in use: CPI-U All Urban Wage Earners and Clerical Workers (current Series), <https://www.bls.gov/data/> select “Top Picks” then select *West Region All Items*.

First Adjustment Period:

Current index: 2018	250.416
Base index: 2017	242.384

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Subtract the Base index from the Current index	250.416 - 242.384	=	8.032
Divide the result by the Base index	8.032 / 242.384	=	.0331
Multiply the result by 100 to obtain percentage	.0331 x 100	=	3.31%
Multiply the price to be adjusted by the % increase	\$250 x .0331	=	\$8.28
Add the price to be adjusted to the adjustment amount	\$250 + \$8.28	=	\$258.28

CPI adjusted price for contract term March 1, 2018	\$258.28
---	-----------------

It is important to note that with each price adjustment, the original CPI **Base** index date range must be compared to the most current CPI index date range. The adjustment will always be made to the original contract price. In other words, CAWC will not adjust a price that has been previously adjusted. Adjustments will only be made to the original agreed upon hourly price, e.g. Senior Engineer charges are \$250/Hour as set in the original agreement.

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ATTACHMENT B

DRAFT CONSTRUCTION CONTRACT

**Monterey Peninsula Water Supply Project
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ATTACHMENT C

BID PACKAGE