



PROPOSAL EVALUATION REPORT

Monterey Peninsula Water Supply Project
Request for Proposals
for the
Slant Well Intake System – Civil Work

September 9, 2019

I. Executive Summary

This report summarizes the evaluation of Proposals received by California American Water in response to the *Monterey Peninsula Water Supply Project Request for Proposals for the Slant Well Intake System – Civil Work* (“RFP”) dated May 31, 2019. The RFP was amended by three addenda dated July 2, 2019, July 10, 2019, and July 18, 2019. Proposals were submitted in response to the RFP on July 29, 2019 by the following firms (listed alphabetically):

Garney Pacific, Inc. (“Garney”)
Hal Hays Construction, Inc. (“Hal Hays”)
Monterey Peninsula Engineering, a Partnership (“MPE”)

While all three Proposers are qualified and submitted responsive Proposals, the Proposal submitted by MPE was determined to be the most advantageous. This determination was based upon several factors as described in more detail in this report; however, the primary factors favoring the selected Proposer are significant cost effectiveness and a strong overall technical approach to completing the work within the schedule.

II. Evaluation Process

A Selection Committee was established by California American Water to evaluate the Proposals and select the most advantageous Proposer based upon the criteria detailed in Section 5 of the RFP. The Selection Committee consists of the following California American Water employees and consulting Engineer of Record:

- *Tim O’Halloran, Engineering Manager*
- *Jay Drewry, Senior Buyer*
- *J. Aman Gonzalez, Senior Engineering Manager*
- *Makrom Shatila, P.E., Michael Baker International, Inc.*

The Selection Committee has individually reviewed the Proposals; identified and discussed advantageous and non-advantageous elements of each Proposal; identified areas where clarification was needed; and reviewed, discussed, and evaluated the Proposals (including any clarifications provided), based upon the criteria and weighting included in the RFP. A breakdown of the overall weighting for each criterion and subcriterion is listed in Table 1 below.

TABLE 1 – Evaluation Criteria

CATEGORY	WEIGHTING
TECHNICAL CRITERIA	40 points
Project Delivery, Construction Management, Quality Control, and Schedule	20
Safety	20
BUSINESS AND FINANCIAL CRITERIA	60 points
Cost Effectiveness of Proposal (including DBE Requirement Statement and Local Resources Utilization Plan)	50
Business Terms and Conditions	10

III. Proposal Evaluation and Scoring

The final total scores for each Proposer are summarized in Table 2 below.

TABLE 2 – Final Evaluation Scores

	GARNEY	HAL HAYS	MPE
TECHNICAL CRITERIA	31	35	32
BUSINESS AND FINANCIAL CRITERIA	58	51	60
TOTAL	89	86	92

1. Technical Criteria (40 Points)

The Technical Criteria counted for a maximum of 40 points of the Proposer’s total score. As summarized below and after careful consideration, Hal Hays received the highest score in this category, followed by MPE.

A. Project Delivery, Construction Management, Quality Control, and Schedule (20 Points)

The technical section of all Proposals demonstrated a strong understanding of the Slant Well Intake System – Civil Work Project (“Project”). The highest level of detail was provided by Hal Hays, with MPE and Garney providing sufficient detail to demonstrate the capability to construct the Project. Each Proposer and its key personnel were determined to be qualified and competent. The key personnel identified in all Proposals in general have many years’ experience in their respective areas of expertise. MPE has significant local experience, including working at the CEMEX sand mining site within the operational constraints applicable to the site.

B. Safety (20 Points)

Safety was a significant consideration for the Project, particularly in light of the operational constraints at the CEMEX site. All Proposers demonstrated a commitment to safety. Garney, Hal Hays, and MPE were scored evenly in this category as each established an excellent safety record and are “green flag certified” by the AVETTA safety program auditing firm used by California American Water.

2. Business and Financial Criteria (60 Points)

The Business and Financial Criteria counted for a maximum of 60 points of the Proposer’s total score. As summarized below and after careful consideration, MPE received the highest score, followed by Garney and Hal Hays.

A. Cost Effectiveness of Proposal (50 Points)

As shown in Table 3 below, MPE scored the highest in this category for having the lowest cost Proposal for the Project, followed by Garney. The Proposal submitted by Hal Hays was significantly less cost effective than the Proposals submitted by MPE and Garney. All three Proposers demonstrated the ability to meet the DBE commitment of 30% of the Contract Price, with Hal Hays demonstrating a 100% commitment. In addition, MPE

demonstrated a significant commitment to utilizing local resources, with nearly 100% of its employees being residents of the Counties of Monterey, Santa Cruz, and San Benito. The Proposals submitted by Garney and Hal Hays demonstrated a less significant commitment to use of local resources.

TABLE 3 – Proposal Price

	GARNEY	HAL HAYS	MPE
PRICE	\$10,933,000	\$12,868,566	\$10,426,000

B. Business Terms and Conditions (10 Points)

This criterion addresses the material advantages and disadvantages of each Proposer’s markup to the draft Contract, including the extent to which the Proposer accepted the terms and conditions set forth in the draft Contract or proposed less favorable terms and conditions. Garney, Hal Hays, and MPE were scored evenly in this category as they took no exceptions to the terms and conditions of the draft Contract.

IV. Conclusion

After careful evaluation of the Proposals based upon the evaluation criteria and weighting set forth in the RFP, the Selection Committee has determined that MPE submitted the most advantageous Proposal. As such, California American Water will commence negotiations with MPE.