

**REQUEST FOR QUALIFICATIONS AND PROPOSALS  
FOR  
TULARE IRRIGATION DISTRICT  
KAWEAH SUBBASIN WATER MARKETING STRATEGY**

**ANNOUNCEMENT**

It is the intent of Tulare Irrigation District (District) to secure the services of a Consultant to guide the development of a Water Marketing Strategy document (Strategy) that is intended to be used to develop a digital exchange platform that will address groundwater overdraft while providing water management flexibility between various beneficial users of groundwater.

DATE OF ADVERTISEMENT: February 23, 2021

DEADLINE FOR SUBMITTAL: March 25, 2021

**1. PROJECT INFORMATION**

**BACKGROUND INFORMATION**

In 2014, California passed a legislative package known as the Sustainable Groundwater Management Act (SGMA). SGMA requires that groundwater users in 21 critically over drafted basins (including the Kaweah Subbasin in Tulare and Kings Counties) submit Groundwater Sustainability Plans (GSPs) by January 31, 2020. The GSPs are to be developed by new administrative bodies called Groundwater Sustainability Agencies (GSAs), and these GSAs must guide their respective service areas to achieve groundwater balance by 2040. Three (3) GSAs have been formed within the Kaweah Subbasin, including the Mid-Kaweah, Greater Kaweah and East Kaweah GSAs, each of which submitted their own GSP to the California Department of Water Resources in January 2020 under a Coordination Agreement. The concept of water marketing fits within the context of the goals of SGMA in that it gives Kaweah Subbasin groundwater users the ability to reallocate available water on a supply-and-demand basis, thereby promoting efficient use and sustainability of groundwater supplies over the long term. Each of the GSAs has included a Water Market within their GSP.

Currently, the three (3) GSAs and other water management entities within the Kaweah Subbasin do not have a water marketing strategy in place. Like the development of the GSAs themselves, the creation of a water market system would be a new administrative undertaking within the Subbasin. Before a water marketing strategy can be implemented, it will be necessary to conduct outreach and obtain input from potential market participants and stakeholders; this will be accomplished largely by the District and GSAs' forming of a Water Marketing Strategy Steering Committee (Committee) consisting of 1- TID Representative, 3- GSA representatives (1- from each GSA) and 7- individuals selected to represent each additional beneficial user of groundwater in the Subbasin. The Committee, guided by the GSAs and the Consultant, will analyze the merits of various water market approaches to formulate a Strategy that will provide the maximum benefit to groundwater users within the Kaweah Subbasin. Developed partnerships and findings from various engineering, legal and economic investigations can then inform the development of a water marketing strategy for the Kaweah Subbasin.

## PROJECT SCOPE OF WORK

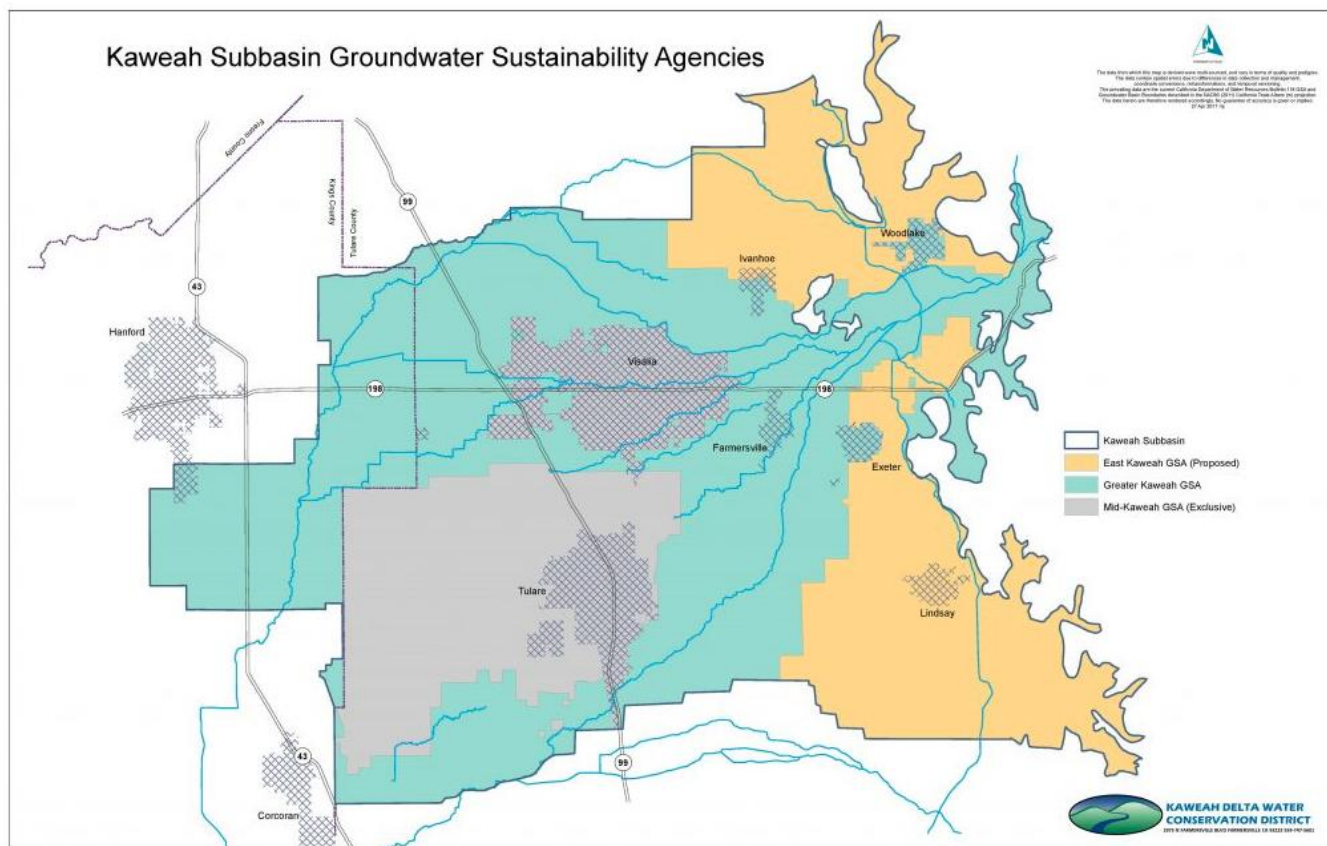
The scope of technical services to be provided by the Consultant will include developing the market rules/guidelines while incorporating the water budget, individual allocation guidelines and legal guidelines provided by the three (3) GSAs; evaluating the costs and benefits of alternative implementation strategies; incorporating stakeholder input; analyzing hypothetical case study examples to predict how the market will impact individual users; and developing a final strategy document. The GSAs will have authority over identifying the total quantity of groundwater that is available for trading and how that quantity of groundwater will be initially allocated (in the form of “credits”) to different stakeholders in the Subbasin. It is anticipated that the total quantity of water available for trading will be set by the sustainable yield, the individual water budgets of the GSAs, and the Water Accounting Framework of the Subbasin as established in the three (3) Kaweah Subbasin GSPs.

An effective water marketing strategy should be perceived as fair and equitable by stakeholders and result in a net benefit to the Subbasin. The Consultant will evaluate the regional economic costs and benefits of alternative implementation strategies. This would include the regional economic impact of water market strategies expressed in terms of economic activity (value added), jobs, regional taxes, and effects on disadvantaged communities in the Subbasin under alternative implementation strategies.

The water market must help achieve and maintain sustainable groundwater conditions in the Subbasin. This means that the water market must be developed to avoid unintended consequences that may push the Subbasin, or specific water users in the Subbasin, beyond the sustainability thresholds indicated by all three (3) GSPs. For example, chronic lowering of groundwater levels is one sustainability indicator that will be monitored as set forth in the three (3) GSPs. If trading results in a spatial clustering of groundwater pumping credits in specific areas (for example, to a grouping of large farms) within the Subbasin this may result in localized cones of depression where the depth to groundwater is below sustainability threshold levels. The Consultant will develop strategies to prevent or mitigate potential water market externalities (unintended consequences) that may threaten the goal of sustainability in the Subbasin. The District anticipates that the Consultant would evaluate these potential unintended consequences and include strategies/recommendations for their avoidance or mitigation in the water marketing strategy document.

## PROJECT LOCATION

The Kaweah Subbasin Water Marketing Strategy is located in Tulare County and Kings County, California. All three (3) Kaweah Subbasin GSAs have indicated an interest in groundwater markets and will participate in the development of the Strategy. A map of the GSA locations within the Kaweah Subbasin is shown below in **Figure 1**.



**Figure 1. Project Area Map: Location of Kaweah Subbasin GSAs, including Mid-Kaweah, Greater Kaweah and East Kaweah GSAs.**

**PROJECT DESCRIPTION**

The purpose of the Kaweah Subbasin Water Marketing Strategy is to conduct outreach and partnership building as well as conduct scoping and planning activities in support of developing a water marketing strategy focused on groundwater transfers. Once the final document has been completed, the Kaweah Subbasin GSAs will have the opportunity to implement a water market according to the Strategy if they choose to do so. Each GSA would consider the implementation of the Strategy during the 2025 GSP Update. Key elements of the project include the following:

- Outreach and ascertainment of opportunities with potential partners regarding development of a water marketing strategy in the Kaweah Subbasin
- Obtainment of input from potential partners and their concerns and priorities regarding development of a water marketing strategy
- Assessment of economic, social, and environmental impacts of a water marketing strategy
- A market evaluation, including assessment of development and implementation issues for a water marketing strategy
- Analysis of water rights law as it applies to a water marketing system will be done by legal consultants chosen by the GSAs
- Analysis of total water budget and its application to individual allocations and transfers will be conducted by engineering consultants chosen by the GSAs
- Development of monitoring, quantification, mitigation and standards for assessment of future needs
- Analysis of hypothetical case studies to analyze impacts of the Strategy on individual users

- Development of a finalized water marketing strategy document

## 2. SCHEDULE

The following timetable (**Figure 2**) should be used as a working guide for planning purposes. The District reserves the right to adjust this timetable as required during the course of the RFQ process.

|   | Month |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
|---|-------|---|---|---|---|---|---|---|---|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--|--|--|
|   | 1     | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 |  |  |  |
| Task No. 1 - Project Outreach and Partnership Building        |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 1.1 Identifying Potential Interested Parties                  |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 1.2 Interested Parties Workshop- Early Engagement             |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 1.3 Water marketing Strategy Committee Identification         |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 1.4 Draft Water Marketing Strategy Public Workshops           |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 1.5 Final Water Marketing Strategy Workshop                   |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| Task No. 2 - Scoping and Planning Activities                  |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 2.1 Analyzing Water Rights within the Water Market            |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 2.2 Researching Existing Water Markets and Strategies         |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 2.3 Identifying Buyers and Sellers and Establishing Roles     |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 2.4 Quantifying the Subbasin Water Market Exchange Quantities |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 2.5 Analysis of Impacts and Benefits of Markets               |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 2.6 Assessment of Digital Platforms to Implement              |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| Task No. 3 - Development of Water Marketing Strategy          |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 3.1 Develop Legal Framework                                   |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 3.2 Develop Terms, Standards and Practices                    |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 3.3 Develop Rules and Procedures                              |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 3.4 Developing Water Marketing Strategy Document              |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| Task No. 4 - Case Studies Investigation                       |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 4.1 Conduct Case Studies Investigation                        |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| Task No. 5 - Finalize Water Marketing Strategy                |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |
| 5.1 Finalize Water Marketing Strategy Document                |       |   |   |   |   |   |   |   |   |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |    |  |  |  |

Notes:

- W Workshop/Public Meeting
- D Report/Deliverable

**Figure 2: Preliminary Project Schedule (Subject to Change). Note that tasks 1.1, 1.2 and 1.3 will be completed by the time of Consultant selection.**

## 3. ELIGIBILITY

1. Each Consultant shall meet all legal, technical, and professional requirements for providing the requested services.
2. The District reserves the right to make investigations of the Consultants' qualifications or those of any of its sub-consultants, to contact former employers or clients to confirm qualifications as it deems appropriate.
3. Proposals are to be concise and include only those items that are relevant to the Project Scope.
4. Only one firm shall be identified as the Primary Consultant for each Response. If other firms are part of the same Response, they shall be identified as sub-consultants. A Primary Consultant shall not be a part of any other team as a sub-consultant. Sub-consultants can join any number of Primary consultants submitting a Response to this RFQ.
5. All sealed proposal packages must be received by Tulare Irrigation District, 6826 Ave 240, Tulare CA 93274 by March 25, 2021. All Responses received after the due date and time will be returned to the Consultant unopened.

#### 4. QUESTIONS AND CLARIFICATIONS

1. Written requests regarding information or clarification in reference to this RFQ must be submitted, in writing, within the timeframe identified. Send all questions by e-mail by March 18, 2021 to:  
Jeremy Barroll  
Tulare Irrigation District  
Email : jab@tulareid.org
2. Consultants must clearly understand that the only official answer or position of the District will be the one stated in writing. Questions seeking clarification or interpretation of the RFQ must be made in writing via email to the contact persons listed above. No inquiries received after the deadline will be considered. The question asked, along with any written response made thereto by the District, will be distributed as an amendment to the RFQ to all the persons on the bidders list. However, the District is not obligated to respond to any question asked, and the District's failure to respond to any such question will not relieve the Consultants of any obligations or conditions imposed by this RFQ. Written response to the questions will be issued as an amendment no later than seven (7) calendar days before the Proposal due date.
3. If the District finds it necessary to add to, or amend this document prior to the Response submittal deadline, the District will issue written addenda/addendum and distribute it to all the persons on the bidders list. Each Consultant must acknowledge receipt of each addendum by signing a provided acknowledgement and providing a response.
4. The District shall keep a record of the bidder list. To be on the District's bidder list please contact:  
Jeremy Barroll  
Tulare Irrigation District  
Email: jab@tulareid.org

#### 5. FEES AND INSURANCE

Proposals shall include estimated fees (in a separate, sealed envelope) to complete the project as described under Project Scope:

1. Estimated fees must include all labor, materials, equipment, professional services, insurance, travel, profit, and all other costs and expenses for the proposed project.
2. Submit an itemized fee schedule as a basis for all proposed services and any extra services not included in item (a) above, if applicable.
3. Insurance coverage for proposed services shall include general liability and property damage insurance that shall include automobile liability insurance in a combined single limit of not less than \$1 million dollars. Professional Liability Insurance (E&O) coverage of \$2 million is also required.
4. The selected firm shall provide within ten (10) calendar days after the notice of award is issued a copy of their existing liability insurance certificate naming the Tulare Irrigation District and its

officers and employees as an additionally named insured on said policies. Such insurance coverage shall be maintained in full force and effect for the duration of the Contract and must be in a form satisfactory to the District.

## **6. PROPOSAL SUBMITTAL**

1. All sealed proposal packages must be received by Tulare Irrigation District, 6826 Ave 240, Tulare CA 93274 by March 25, 2021. All Responses received after the due date and time will be returned to the Consultant unopened.
2. Each consultant shall submit one (1) original of each Response, and one (1) electronic copy in PDF. The sections shall follow the order given below. No material other than that listed in this Section shall be included in the Response.
3. Cover Letter – A cover letter (limited to two pages) indicating interest in providing the services to the District and a statement on why the consultant should be selected for the award. The letter shall include the name of the Prime Consultant and any sub-consultant(s).
4. Table of Contents – A one-page table of contents identifying the sections and page numbers.
5. Organization Chart – A one-page, proposed organization chart identifying key professionals and sub-consultant(s), and their area(s) of responsibility.
6. Qualifications – Up to five (5) pages, for resumes of the persons, including the Project Manager, Economist, and a Registered Civil Engineer that will be assigned to the project. The resumes shall include a description of projects providing services similar to those identified in the scope of services, and will identify individuals' roles and responsibilities on those projects.
7. Project Understanding and Approach – Up to ten (10) pages, summary of the approach to be taken for the project. A definitive work program and schedule, including schedule for completion of the major milestones. Identify and include all tasks not under Consultant's control, and provide estimated times based upon prior experience. List any information and tasks expected from the District/GSAs. Any information or tasks needed but not listed is the responsibility of the winning bidder.
8. Project Experience, Success and References – Up to five (5) pages, a description of projects providing services similar to those identified in the scope of services. The emphasis shall be given to the projects in California AND the tasks performed by the persons identified in the Response. Include in the project descriptions (a) the length of the contract; (b) the scope of services provided; (c) the type of contract (pro bono, retainer, project-based fee, other); (d) specific accomplishments, if any; and (e) a contact name, phone number and e-mail address for each client to serve as a reference. If the consultant team includes sub-consultant(s), there must be at least one project for each sub-consultant.
9. Sealed Fee Proposal – The fee proposal shall be enclosed in a separate, sealed, envelope identified as "*Fee Proposal Tulare Irrigation District RFQ Services.*" Original estimates provided

in the Bureau of Reclamation Grant included \$200,000 for a water market consultant for the development of the Water Marketing Strategy.

10. All costs for preparation of proposals shall be borne by the bidder.

**7. EVALUATION AND SELECTION**

1. The District will select one firm for the outlined Scope of Service on the basis of qualifications and experience. Designated staff of the District will conduct a review and evaluation of all proposals and may, if necessary, invite bidders to interview. The District will review and evaluate proposals against the following criteria:

| # | Description  | Points |
|---|--|--------|
| 1 | Qualifications: Do the qualifications of key personnel to be assigned to working on the Project Scope demonstrate sufficient experience and expertise?   | 20     |
| 2 | Understanding and Approach: Based on the information provided and other available information, does the bidder understand the needs and goals and the obligation to minimize costs while at the same time achieving optimum results? | 20     |
| 3 | Project Experience and Success: Has the proposing firm demonstrated that they, or the staff assigned to the engagement, successfully completed services, similar to those specified in the Project Scope section of this RFQ?        | 20     |
| 4 | References: Are the firm's references from past clients and associates favorable?  | 10     |
| 5 | Business Model: Does the firm provide exchange platform or exchange software services in which it charges an administrative fee for individual exchanges or otherwise participates in individual exchanges?                          | 10     |
| 6 | Reasonable Costs: Does the cost estimate support reasonable costs for the Project Scope?   | 20     |

2. District staff in cooperation with the Water Marketing Steering Committee will review the proposals and select the one that they believe is most advantageous to the Subbasin, prior to opening the fee proposal envelope.
3. The District may elect to conduct an oral presentation/interview of the shortlisted firms. In which case, the three (3) highest ranking proposals will be short listed and invited to an oral presentation/interview. Additional details on the oral presentations will be provided to the short-listed Consultants.
4. The fee proposal will be used as a basis for negotiations with the selected Consultant of a final scope of work and proposed fee arrangement. If no acceptable arrangement can be negotiated, the District may terminate talks with the highest-ranked Consultant and initiate negotiations with the next-ranked Consultant, and so forth until a final agreement is reached. This agreement will then be recommended to the Tulare Irrigation District Board of Directors for approval.

5. The District reserves the right to award the consultant service contract to the firm that, in the sole judgment of the District, can best accomplish the desired results. Selection criteria include, but are not limited to, consideration of the Consultant's qualifications and experience, the Consultant's understanding of and approach to the project, and the negotiated fee for services.
6. This request does not constitute an offer of employment or to contract for services.
7. The District reserves the option to reject any or all proposals received in response to this request for Proposals, wholly or in part.
8. The District reserves the right to retain all proposals, whether selected or rejected.

**8. ATTACHMENTS**

A copy of the Grant Agreement is attached (Attachment A) for review.

Attachments

Attachment A: US Bureau of Reclamation WaterSMART Grant – Water Marketing Strategy - Grant Agreement