

THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

REQUEST FOR PROPOSALS

TO LEASE FARMLAND IN THE SACRAMENTO-SAN JOAQUIN BAY DELTA

FOR RICE CULTIVATION PURPOSES



SCHEDULE

RFP Distribution	June 18, 2024
Mandatory Site Visits	June 27, 2024
Request for Clarification Deadline	July 5, 2024
Submission Deadline	August 2, 2024
Evaluation to Select Short List	August 2-16, 2024
Short List Respondent Interviews	August 22-23, 2024
Notification of Selection to Final List	August 29, 2024
Lease Negotiations with Finalists	September 23, 2024
Planned MWD Board Action	November 12, 2024

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ATTACHMENTS (*attached separately*):

Attachment A – Sample Lease Agreement

Attachment B – Webb Tract Parcel Map

Attachment C – Contact Information Form

Attachment D – Respondent’s Compliance Form

Attachment E – Conflict of Interest Statement

Attachment F – Sponsorship/Ownership Profile

Attachment G – Rice/Wetlands Map

Attachment H – Proposed Crop Plan and Rent Schedule

Attachment H1 – Sample Crop Plan and Rent Schedule

SECTION 1: GENERAL INFORMATION

1.1 Brief Overview

The Metropolitan Water District of Southern California (Metropolitan) is seeking Proposals from interested parties who wish to lease parcels of land in the Sacramento-San Joaquin Bay Delta (Delta) for rice farming purposes with an initial base term of 10 years with options to extend five additional years (for a total of 15 years). Metropolitan is seeking a commitment to cultivate approximately 1,361 acres of rice on agriculturally zoned land on Webb Tract (“Property” or “Webb Tract”) in Contra Costa County. Respondents should also commit to farming (on a short term or seasonal basis) other crop(s) or grazing on the remainder of the island, but only through 2026, and will be responsible for land maintenance and vegetation management of the entire island until construction begins on the Webb Tract Wetland Restoration Project. Metropolitan will issue another RFP for construction of the wetland and habitat restoration project in 2026 that will entail phasing out all or portions of the remainder of the island for short-term farming.

The attached parcel map (Attachment B) shows the approximately 5,497 acres of land making up Webb Tract. Waterfowl hunting occurs on approximately 139 acres of the Property involving the Life Estate parties and invitees with hunting rights encumbering a portion of the Property. Respondents shall be prepared to coexist with such third-party hunting activities.

1.2 About the Metropolitan Water District

Metropolitan is a state-established cooperative of 26-member public agencies—cities and water agencies—that serve the water needs of about 19 million people in six counties throughout California. Metropolitan both imports water to supplement local supplies, which also assists its members to develop increased water conservation, recycling, storage (surface and groundwater) and other resource management programs.

As a public water agency looking for long-term stability in the Delta through an enhanced ecosystem and improved water supply reliability, Metropolitan seeks to explore sustainable land management options that are viable in the decades to come.

1.3 Delta Conservancy Grant Requirements

Metropolitan has been awarded a grant from the Sacramento-San Joaquin Delta Conservancy (Delta Conservancy) for two projects located on Webb Tract: the Webb Tract Rice Conversion Project and the Webb Tract Wetlands Restoration Project (Grant). These projects are intended to be multi-benefit habitat restoration projects that stop and/or reverse subsidence, reduce GHG emissions, expand carbon sequestration, and improve aquatic and wildlife food webs. Please note Metropolitan is and will remain the Grantee of the Grant and will be the lead in administering the grant as well as interfacing with the Grantor, the Delta Conservancy.

This RFP is limited to the award of an agricultural lease to a private tenant to help implement the Rice Conversion Project and if this RFP culminates in the execution of a rice farming lease agreement, then the rice lessee is expected to coexist on Webb Tract with a future wetlands restoration contractor and also wetlands management for the entire duration of the rice lease agreement. Metropolitan will need prompt and full cooperation from a rice lessee in complying with the terms and conditions of the Grant. Some of the pertinent Grant terms and conditions that the rice lessee will need to adhere to are as follows:

- Minimum 5-year commitment to grow rice;
- Minimum of 500 acres of rice planted and harvested within the second anniversary of the

lease effective date and approximately 1, 361 acres of rice planted and harvested before the fourth anniversary;

- An estimate of the total cost of conversion of existing farmland to rice fields;
- Up to \$875 per acre million in possible Grant program reimbursement payments for land preparation and improvements (provided to Respondent on a pass-through basis), contingent upon completion of rice field preparation work by March 5, 2028, and compliance with other Grant program and lease agreement requirements;
- Audits of contracts, payments or land preparation;
- Compliance with state and federal law non-discrimination requirements;
- Labor code compliance (e.g., prevailing wages for Grant-covered activities, etc.);
- Design plans for land preparation, grading, topography and arrangement of rice fields;
- Water Management Plan (sources of water, irrigation methods/systems, fish/wildlife benefits) in coordination with Metropolitan staff;
- Compliance with mosquito abatement requirements (Contra Costa County Vector Control), pest management and invasive species expert advice to avoid negative impacts on native species, and the suppression of waterborne pests and vectors;
- Ensure access to installed eddy covariance emission measurement equipment stations for data collection and equipment maintenance/repair activities; and
- Allow pre-construction and post-construction monitoring by the Delta Conservancy, regulators and Metropolitan staff.

1.4 RFP Schedule

1.	RFP Distribution	June 18, 2024
2.	Mandatory Site Visits	June 27, 2024
3.	Request for Clarification Deadline	July 5, 2024
4.	Submission Deadline	August 2, 2024
5.	Evaluation to Select Short List	August 2-16, 2024
6.	Short List Respondent Interviews	August 22-23, 2024
7.	Notification of Selection to Final List	August 29, 2024
8.	Lease Negotiations with Finalists	September 23, 2024
9.	Planned MWD Board Action	November 12, 2024

1.5 RFP Evaluation Phases

Respondents will be evaluated in phases as follows:

- Phase 1 will consist of Metropolitan deciding whether Respondents meet the minimum requirements.
- Phase 2 will entail applying the initial evaluation criteria to score the proposals submitted by Respondents that meet the minimum requirements. The initial evaluation criteria of five components are outlined below.
- Phase 3 will entail establishing a short list of the highest scoring Respondents. Those Respondents will be invited to participate in an interview with Metropolitan and the successful Respondent to engage in negotiations of contract terms and refinements of their

initial proposal. At the end of this phase, Metropolitan shall make a determination as to whether: (1) the negotiated lease includes acceptable deal terms; (2) the Respondent provides the best value according to the cost and design that ensures up to approximately 1,361 acres of rice are planted according to the required schedule and the planting and/or management of remaining Webb Tract lands; and (3) the Respondent’s lease serves the best interests of Metropolitan, including operational and financial viability.

Respondents shall address each of the following criteria in their Proposals:

Criteria 1:	Rice Farming Experience	25%
Criteria 2:	Proposed Rent	30 %
Criteria 3:	Property Maintenance and Protection	15%
Criteria 4:	Financial Viability	20%
Criteria 5:	Environmental Benefits	10%

1.6 RFP Process

1.6.1 Distribution

The RFP will be available on June 18, 2024 on Metropolitan’s website at <http://www.mwdh2o.com/Doing-Business/Property-Use/Pages/default.aspx>

1.6.2 Mandatory Site Visit

Prospective Respondents must visit the subject parcels on June 27, 2024. Requests for site visits must be submitted via email to WebbTractRFP@mwdh2o.com by June 25, 2024. If there are issues with accommodating all site visit requests, then Metropolitan will limit site visits to one person per prospective respondent and/or reserve site visits based on order in which the request was received. **Non-participation in the mandatory site visit is automatic grounds for disqualification in the RFP.**

1.6.3 Requests for Clarification

Prospective Respondents requesting clarification to any section of this RFP must submit all requests via email to WebbTractRFP@mwdh2o.com by no later than **5:00 p.m. PDT, July 5, 2024**. Metropolitan will respond to questions directly to each prospective Respondent within 3 business days. A restatement of all questions and answers will be distributed on **July 11, 2024, 2024**. If necessary, an addendum will be posted on Metropolitan’s website at <http://www.mwdh2o.com/Doing-Business/Property-Use/Pages/default.aspx> for any material information or changes to the RFP.

1.6.4 Submission Process

All Proposals must be submitted via e-mail by no later than **11:59 p.m., PDT on August 2, 2024** in accordance with the submittal instructions below. Respondents are encouraged to carefully review this RFP in its entirety prior to the preparation and submittal of the Response. Failure to submit a complete Proposal which meets all RFP requirements may result in a non-responsive determination and be rejected.

1.6.5 Proposals must include:

Rice farming phasing plan for 1,000 to approximately 1,361 acres as described in Attachment H on 3,500 acres from 2025 through 2026 as described in **Attachment H**

Crop phasing plan with 100% rice before fourth anniversary of lease with minimum of 500 acres of rice before second anniversary of lease.

Respondents are solely responsible for familiarizing themselves with all the necessary steps to ensure that Proposals are submitted online correctly and completely, both in form and content, and within the stipulated deadline. **Faxed, mailed or hand-delivered Proposal will not be accepted.**

- a. **Proposals must be e-mailed as a file attachment in either PDF or Microsoft Word format only, and the aggregate file size should not exceed 15 MB.**
- b. **The file attachments' filename must read as follows:**
 - i. Filename: **FirmName_WebbTract.pdf [or] FirmName_RFP.doc**
 - ii. Sample: **ACMECompany_WebbTract.pdf [or]
ACMECompany_WebbTract.doc**
- c. **The subject header must read: "WEBB TRACT PROPOSAL 2024."**
- d. **Proposals must be e-mailed to WebbTractRFP@mwdh2o.com by 11:59 p.m., PDT on August 2, 2024.**

1.6.6 Minimum Qualifications

- a. **Metropolitan prefers that all interested parties have experience with rice cultivation in the Sacramento-San Joaquin Delta and maintaining sustainable agricultural practices that reduce greenhouse gas (GHG) emissions and prioritize environmental benefits. Respondent's business shall have been in existence farming in the Sacramento-San Joaquin Delta for at least five years and currently engaged in rice farming crops.**
- b. **Respondent shall have experience farming at least 500 acres of rice.**
- c. **Respondent shall have experience performing vegetation, weed and other maintenance on at least 2,000 acres of land.**
- d. **Respondent shall have experience maintaining weirs, water flow control and irrigation ditches.**
- e. **Respondents shall have participated in a site visit at Webb Tract.**

1.6.7 Evaluation of Proposals to Select Short List

All submitted Proposals will be evaluated by an evaluation committee to verify compliance with submission instructions and minimum qualifications. It is anticipated that the evaluation process will be completed by August 16, 2024.

During the evaluation process, Metropolitan may request clarification or additional documentation from Respondents. Respondents should not misconstrue a request for clarification or a request for an oral presentation as an invitation to enter into negotiations nor an agreement. Upon completing the evaluation process, Metropolitan will select the five highest scoring proposals to determine which Respondent will advance to the next step of Short List Interviews.

1.6.8 Short-List Respondent Interviews

After the initial evaluation process is completed, the Respondent(s) that comply with the submission instructions and receive one of the top five highest scoring proposals will be identified and selected to participate in face-to-face or online virtual interviews. **Selected Respondent(s) shall submit a current annual income statement and balance sheet or current complete income tax returns by 5:00 p.m., PDT on August 22-23, 2024.**

Interviews are planned for mutually available times on **August 22-23, 2024**. Face-to-face interviews are anticipated to be conducted locally in the Bay Delta area and online virtual interviews will be conducted remotely. Invited Respondents will receive further instructions on the scope, process, and address of the interviews. Respondents not selected for the short list interviews will be notified via email or other means.

1.6.9 Notification of Selection to Final List

An evaluation committee will evaluate all Proposals and interviews while applying the evaluation criteria, to select the two or three highest-ranking Respondent(s) for the Final List with an invitation to enter into negotiations.

All Respondents will be notified of the selection results by **August 29, 2024** with all or some of the Respondents receiving invitations to enter into negotiations.

1.6.10 Lease Negotiations with Finalists

Upon notification of being selected to the Final List to commence negotiations, the Respondents will need to promptly submit the following:

- A Final Term Sheet with crop phasing plan and projected land preparation costs and proposed land preparation reimbursement schedule
- Last three years of tax returns OR Last three years of certified financial statements.
- Signed authorization for Metropolitan to obtain personal or business credit reports.
- Statement of whether Respondent or any of its principals or partners are the subject of any bankruptcy or insolvency proceedings, legal actions, and/or investigations, from 2014 to the present.
- Statement of any indictments or convictions of the Respondent, its principals, or partners; any other exposures pending against the Respondent, its principals or partners; civil suits for breach of contract/rental agreement.
- Projected cash flow requirements to farm the leased Property and the source of required funds including, if not self-financed; name and commitment from lender/investor.

The timely submittal of thorough and accurate documents by the Respondent will impact the Respondent's financial score, lease negotiations and likelihood of being recommended for an award of a lease agreement.

Staff from Metropolitan's Land Management Unit (LMU) is authorized to negotiate lease agreement terms and conditions with the selected Respondent(s) pursuant to the sample Lease Agreement attached to this RFP.

Please note that Proposals do not create a binding contract and the final lease terms will ultimately be negotiated between Metropolitan and the selected Respondents. The evaluation committee shall recommend the award of leases to Respondents that serves the best interests of Metropolitan.

Metropolitan's leasing requirements are outlined in Section 2 of this RFP.

1.6.11 Planned Board of Directors Action

The final decision to enter and execute a Lease Agreement will be made by Metropolitan's Board of Directors. It is anticipated that the recommended lease agreements will be considered at the official Board meeting on **November 12, 2024**.

1.6.12 Proposal Information

1. Respondents are encouraged to carefully review this RFP and all attachments prior to the preparation and submittal of their Proposal.
2. All Proposals submitted will become the property of Metropolitan.
3. The Respondent may modify or amend its Proposal only if Metropolitan receives the amendment prior to the submission deadline stated herein for receiving the Proposal.

A Proposal may be considered non-responsive if it is conditional or incomplete, or if it contains alterations of form, additions not called for, misrepresentations and/or other irregularities that may constitute a material change to the Proposal.

Proposals must be valid for a period of twelve (12) months from the closing date and time of this RFP.

1.6.13 Rights Reserved to Metropolitan

In addition to rights established elsewhere in this RFP, Metropolitan reserves the right to:

- a. Reject any or all Proposals;
- b. Verify all information submitted in the Proposal;
- c. Withdraw this solicitation at any time with no obligation to negotiate or enter into a lease agreement with any Respondent;
- d. Negotiate lease terms with one or more Respondents as necessary to serve Metropolitan's best interests;
- e. Supplement, amend, modify, or cancel the RFP;
- f. Extend the times and dates set forth in the RFP, including the length of the lease term;
- g. Conduct further investigations with respect to the qualifications of a Respondent;
- h. Amend the final lease agreement(s) to incorporate necessary attachments and exhibits and/or to reflect negotiations between Metropolitan and the successful Respondent; and
- i. Investigate the financial capacity of Respondent(s) including but not limited to financial statements, credit reports and federal and state tax records for the past 3 years.

1.6.14 Pre-Contractual Expenses

Metropolitan shall not be liable for any expenses incurred by Respondents or their representatives in the preparation or submission of their Proposal. Pre-contractual expenses are defined as costs incurred by the Respondent in the preparation of a Proposal, including, but not limited to, submitting the Response to Metropolitan; negotiating with Metropolitan any matter related to the Response; and any other expenses incurred by the Respondent prior to the date of execution of a lease agreement.

1.6.15 Confidentiality

Metropolitan is subject to the California Public Records Act, California Government Code Section 6250 et. seq. (CPRA). Unless exempt from disclosure under the CPRA, all Metropolitan records are subject to disclosure to the public. Consequently, unless specifically required by the RFP, Respondents should not submit personal data such as driver's license information, social security numbers, etc. to avoid the possibility of inadvertent disclosure of this personal information. In the event of a public records request, personal and financial information will be redacted consistent with the CPRA.

Respondents may provide supplemental information exempt from public disclosure under Gov. Code § 6254, including "trade secrets" under Evidence Code § 1060. Such supplemental information shall not be material to the required submittal information and Metropolitan shall be under no obligation to consider such supplemental information in its evaluation.

If submitting confidential supplemental information, such information should be sectioned separately from the rest of the submittal and clearly marked "CONFIDENTIAL."

1.6.16 Sample Lease Agreement

Attachment A is Metropolitan's sample Lease Agreement. Before submitting a response, Respondents should carefully review the provisions set forth in the sample Lease. **Metropolitan reserves the right to modify, add or delete any of the provisions of the sample Lease prior to execution. Respondents should note that the attached sample Lease Agreement will be further modified by a schedule or provisions implementing the applicable Grant program restrictions summarized in Section 1.3 including but not limited to land maintenance obligations, land preparation criteria and reimbursements.**

1.6.17 Execution of Lease Agreement

The execution of a Lease Agreement with any Respondent(s) is contingent upon a satisfactory evaluation of the Respondent's current operational and financial condition, the successful negotiation of terms and formal approval by Metropolitan's Board of Directors.

1.6.18 Certificate of Insurance

Selected Respondent(s) must provide Metropolitan with required proof of insurance coverage prior to execution of the lease. The minimum insurance coverage is as follows:

- a. **General Liability** **\$2,000,000**
- b. **Automobile Liability (for each accident)** **\$1,000,000**
- c. **Workers' Compensation:** Shall be furnished in accordance with statutory requirements of the State of California and shall include Employer's Liability coverage of \$1,000,000 per accident for bodily injury or disease.

SECTION 2: AVAILABLE LAND AND LEASING REQUIREMENTS

2.1 Overview of Available Land

A portion of the island of Webb Tract (5,497 gross acres) is being made available for the Rice Conversion Project comprising approximately 1,361 acres (**Attachment B**). Ferry or boat access is the only means of accessing Webb Tract. All Respondents are responsible for familiarizing themselves with the Property including varying soil conditions (e.g., peat soils), high water table and restricted access, and below sea level lands protected by levees, sufficiently to submit their Proposals. These aforementioned site conditions will result in non-contiguous rice fields and rice fields abutting wetland restoration areas. The Property has historically been farmed with seasonal crops, mainly corn. However, Metropolitan is seeking to address or reverse subsidence by moving away from corn farming on Webb Tract and supporting other crops that will not contribute to on-going subsidence.

Metropolitan is not providing any representations or warranties as to the preexisting condition of or infrastructure within the Property or the suitability of the Property for a certain type of crop or farming practice. The respective Reclamation District for each island is tasked with ensuring the ditches and canals are operable for distributing water to support commercial farming operations.

2.2 Lease Term and Rent

Metropolitan proposes to lease these lands for an initial base term of 10 years with an option to extend five additional years. If after five years from planting rice, the rice is not financially viable, as determined by Metropolitan and the Delta Conservancy, the rice can be replaced with another wet agricultural crop. The contracted rental rate set forth in the negotiated Lease Agreement will be based on the number of farmable acres as mutually agreed upon pursuant to the Federal Agriculture Commission guidelines. The contracted rental rate may be subject to annual increases throughout the lease term. Metropolitan is interested in a flexible rent structure, which is defined as hybrid approach involving a pre-determined, guaranteed fixed amount at the beginning of the year (also known as the base rent) plus additional rent (also known as percentage rent) that is paid on top of the base rent after harvest based on a percentage split of the annual crop yield. The base rent for rice shall be no less than \$150 per acre per year. The proposed rent must be submitted using the format provided in Attachment H.

Metropolitan will reimburse up to \$875 per acre for land preparation and improvements. The reimbursement may be in the form of rent credits/offsets and/or periodic payments to the Lessee based on the achievement of certain milestones.

2.3 Use of the Property

Property use shall be for wildlife friendly agricultural purposes only and shall comply with all applicable local, state and federal laws and regulations including the application and management of pesticides, herbicides, and fertilizers. The lessee's use and enjoyment of the property shall be subject to all pre-existing encumbrances. It should be noted that the rice Lessee is expected to coexist on Webb Tract with the Wetlands Restoration Contractor/Lessee and shall assume and prepare for risks associated therewith. The period of coexisting may not commence until 2026 or 2027 and continue for the entire duration of the rice lease. Short term farming or grazing of the future wetlands restoration areas will be allowed for the remainder of the property until an expiration date in 2026. Those future wetlands restoration areas are shown in Attachment G.

Metropolitan is seeking a commitment to cultivate approximately 1,361 acres of rice within the initial four years, with a minimum commitment of planting 500 acres of rice in 2026 while committing to grazing or other crops during the multi-year transition to 1,361 acres of rice. Grazing and/or other crops may be

allowed through December 31, 2027, as long as such crops and/or farming activities do not contribute to on-going subsidence. Based on layout, topography and other factors, the rice fields will not be contiguous. The land should be leveled and prepared for rice farming in minimal increments of 500 acres per year over the initial four years of the lease term. The construction or preparation work shall be performed with labor paid at prevailing wages pursuant to labor laws.

The Property includes a duck club house, maintenance/storage facilities and a Quonset hut (maintenance facility). The selected lessee shall be prepared to accommodate joint use of the duck club house and maintenance/storage facilities with Metropolitan staff or third-party invitees.

A portion of the Property is encumbered with a wildlife hunting, life estate for the benefit of a private family. It is expected that the rice lessee will accommodate the holders of the life estate. A map of the life estate boundaries (approximately 130 acres) is attached hereto as Attachment G.

2.4 Maintenance of the Property

Metropolitan expects the selected lessee to be responsible for the upkeep and maintenance of the entire island or gross acres including vegetation or weed control, even when the farmable acres may be less than the gross acres. Additionally, the selected lessee is expected to assist the respective Reclamation District with the maintenance of levees, canals, ditches, and emergency response situations. The selected lessee shall be required to have certain equipment available 'on-site' for local land and levee protection and maintenance functions. Such functions shall be required as set forth in the lease agreement with Metropolitan. The required on-site equipment shall include:

- a. long-reach excavator
- b. loader
- c. water truck
- d. backhoe
- e. grader
- f. bulldozer
- g. dump truck
- h. pickup truck

In addition to having the above referenced, specific equipment on-site, the selected lessee shall have a dedicated staff person tasked with working closely with the Reclamation District on levee patrols and compensation for such work will be established with the Reclamation District. Additionally, the selected lessee shall have a dedicated staff person available for functions described above which may require being available on the lease premises on a 24-hour, 7-days a week basis which may be accommodated in the on-site living trailer. Maintenance of the duck club house, living trailer, maintenance and storage facilities shall be the selected lessee's sole responsibility.

2.5 Other Lease Requirements

Metropolitan will require the following provisions in any lease agreement(s):

A provision for the Lessee(s) to make semi-annual lease payments, with the first payment amounting to at least fifty percent of the annual base rent due at the execution of the lease.

Lessee to be capable of performing emergency response activities to protect and preserve the integrity of the island, farmland, and island infrastructure, including but not limited to the levees, roads, ditches, irrigation canals, irrigation pumps, intake siphons, drainage discharge pipes, and structures.

Reservation of right for Lessor to reduce the size of the leased premises at a defined location during the lease term in exchange for a preset reduction of rent.

Lessee compliance and collaboration with the local Reclamation District as needed to protect the island levee system and drainage function.

In the event of any approved subletting of the rented parcels, a provision for the Lessee(s) to pay 50 percent of any sublease revenue or 50 percent of profits from sublease rental income to Metropolitan may be included.

In addition to other provisions regarding assignment of risk between the parties, language regarding assumption of risk and indemnity, as set forth in the sample Lease Agreement attached hereto.

SECTION 3: EVALUATION PHASES AND CRITERIA

Respondents will be evaluated in three phases as follows:

- The first evaluation consists of making a determination as to whether the respondent meets the minimum requirements.
- The second evaluation involves applying the initial evaluation criteria of five components in the table below to determine whether one or more respondents warrant an invitation to the Short-List Interviews.
- The third evaluation consists of making a determination at the conclusion of negotiations as to whether: (1) the negotiated lease includes acceptable deal terms; (2) the Respondent provides the best value according to the cost and design that includes the most emission reduction, subsidence, fish and wildlife benefits; and (3) the Respondent’s lease serves the best interests of Metropolitan including operational and financial viability.

An evaluation committee will perform the evaluations at all three phases. The evaluation committee will recommend the award of leases to Respondents that offers the best value and serves the best interests of Metropolitan.

Respondents shall address each of the following criteria in their Proposal (see Section 4 for the specific Response Requirements):

Criteria 1:	Delta Farming Experience	25%
Criteria 2:	Proposed Rent	30%
Criteria 3:	Property Protection	15%
Criteria 4:	Financial Viability	20%
Criteria 5:	Environmental Benefits	10%

3.1 Criteria 1: Delta Region Farming Experience

The Delta Islands are a unique agricultural area defined by a levee system to prevent river and ocean water intrusions, high ground-water levels, and variable soil and runoff conditions that somewhat restrict the types of crops that can be grown. These conditions also vary widely from island to island.

Respondent shall describe its history of farming in the Delta or a climate and physical environment like the Delta Islands with deeply subsided land.

The evaluation committee will evaluate Proposals based on the Respondent's experience successfully growing rice on the Delta Islands, previous farming experience in the delta including maintaining infrastructure, including ditches and roads, farming on land that is only accessible by ferry, maintaining weed and vegetation control, and maintaining at least 2,000 acres with weirs, water flow controls and irrigation ditches.

3.2 Criteria 2: Proposed Rent

The Proposal should include proposed crop plan, annual rental rates, and percentage rent for the rice designated areas (approximately 1,361 acres) and lump sum payments for the grazing, non-rice crops and wetlands restoration designated areas (approximately 3,500 acres) as shown on Exhibit G. Metropolitan is interested in a flexible rent structure for rice farming, which is defined as hybrid approach involving a pre-determined, guaranteed fixed amount at the beginning of the year (also known as the base rent); plus, additional rent (also known as percentage rent) is paid on top of the base rent after harvest based on a percentage split of the annual crop yield. As an example, the rent for rice farming should be at a base rate no less than \$150 per acre plus a percentage of X% for share of net proceeds.

The proposal should also include proposed annual rental rates and payment schedules for other crops or grazing on a per acre basis as well as projected land preparation costs and proposed land preparation reimbursement schedule. The proposed rent must be submitted using the format provided in Attachment H.

The Proposal that includes the most favorable proposed rent, as determined by the evaluation committee, will be scored highest in this criterion.

Metropolitan expects the Respondents to use their farming experience to forecast future prices for rice and the other proposed crops and to determine a commensurate rental rate and percentage split that is included in their Proposal.

3.3 Criteria 3: Property Protection

Metropolitan has numerous facilities that need to be secured (including maintenance/equipment shops, fuel tanks and containment facilities, boat docks, and staff housing). In addition, Respondent will need to work with the Reclamation District in protecting and maintaining property roads, ditches, irrigation canals, irrigation pumps, intake siphons, drainage discharge pipes, and structures. The Proposal should include a property protection plan that will be scored or rated based on its comprehensiveness, readiness, and responsiveness, staffing and equipment information.

3.4 Criteria 4: Financial Viability

A review of the Respondent's personal credit report and/or Dun & Bradstreet business report will be performed, coupled with an analysis of the Respondent's financial and operational condition. This credit and financial data will be objectively examined to determine the financial viability of the Respondent. The evaluation committee will give a higher rating or score for Respondents deemed to be financially strong or viable.

3.5 Criteria 5: Environmental Benefits

The proposal should include a Water Management Plan that includes how the land will be managed to encourage fish & wildlife benefits (i.e. flooding to encourage beneficial use for migratory birds/shorebirds/waterfowl or installation of cover crops).

SECTION 4: PROPOSAL FORMAT AND INSTRUCTIONS

The information requested below will be used to evaluate each Respondent's Proposal, based on the criteria outlined in Section 3. Proposals shall be prepared simply and economically, providing straightforward, concise information to satisfy the requirements of this RFP. Emphasis should be on completeness and clarity of content with sufficient detail to allow for accurate evaluation and comparative analysis. A material departure from the format requirements listed herein may render the Proposal as non-responsive and therefore rejected. Proposals may be deemed non-responsive if all items listed in this Section are not addressed.

Proposals shall be organized in the following sections in the order presented below:

- A. Executive Summary Letter
- B. Minimum Qualifications
- C. Criteria 1 – Farming Experience
- D. Criteria 2 – Proposed Rent
- E. Criteria 3 – Property Preparation and Protection
- F. Criteria 4 – Financial Viability
- G. Criteria 5 – Environmental Benefits
- H. Contact Information Form
- I. Respondent's Compliance Form
- J. Conflict of Interest Statement
- K. Sponsorship/Ownership Profile

A. Executive Summary Letter

Respondent shall submit a brief signed letter that provides information regarding the business and Respondent's ability to perform the requirements of this RFP.

B. Minimum Qualifications

Respondent shall herein demonstrate that it meets the minimum qualifications by identifying and providing a narrative on how it meets each of the minimum qualifications listed below. The Response may be deemed non-responsive and rejected if these minimum qualifications are not met.

1. Respondent shall describe and document its ownership entity (A Sponsorship/Ownership Profile - **Attachment F**)
2. Respondent's business shall have been in existence farming in the Sacramento-San Joaquin Delta for at least five years and currently engaged in rice farming crops.
3. Respondent shall have experience farming at least at least 500 acres of rice.
4. Respondent shall have experience performing vegetation, weed and other maintenance on at least 2,000 acres of land.

5. Respondent shall have experience maintaining weirs, water flow control and irrigation ditches.
6. Respondents shall have participated in a site visit at Webb Tract.

C. Criteria One – Farming Experience

Respondent shall briefly describe their history of farming in the Sacramento-San Joaquin Delta and their experience with rice farming.

D. Criteria Two – Proposed Rent

Respondent shall state the proposed crop plan, annual rental rates, and percentage rent for the rice designated areas (approximately 1,361 acres) and lump sum payments for the grazing, non-rice crops and wetlands restoration designated areas (approximately 3,500 acres) on Exhibit G. Projected land preparation costs and proposed land preparation reimbursement schedule should also be stated in Respondent's proposal. The proposed rent for rice shall be no less than \$150 per acre per year. The proposed rent for rice, grazing, and non-rice crops must be submitted using the format provided in **Attachment H**.

E. Criteria Three – Property Protection

The Respondent shall provide a property protection plan that includes the following (as a minimum):

1. **Property and Levee Protection** – Respondent shall identify farm staff/labor and equipment that would be available, as necessary, for performing emergency response activities in assisting Metropolitan and the Reclamation District to protect the island, farmland, and island infrastructure to include but not limited to the levees, roads, ditches, irrigation canals, irrigation pumps, intake siphons, drainage discharge pipes, and structures. The list of available equipment should include a long-reach excavator, loader, water truck, backhoe, grader, bulldozer, dump truck, and pickup truck. A higher score will be awarded to those Respondents that provide the most complete list of equipment and labor in the submittal evaluation phase.
2. **Facility Protection** – Respondent shall identify farm staff/labor that would be available, as necessary, to secure and maintain equipment, repair shops, housing facilities and fuel/chemical storage facilities.

F. Criteria Four – Financial Viability

At the time of selection for the Short List or Final List, Respondent shall submit the financial documents outlined in Section 1.5.

G. Criteria Five – Environmental Benefits

The proposal should include a Water Management Plan that includes how the land will be managed to encourage wildlife benefits (i.e. flooding to encourage beneficial use for migratory birds/shorebirds/waterfowl or installation of cover crops).

H. Contact Information Form

Respondent shall complete and submit **Attachment C**.

I. Respondent's Compliance Form

Respondent shall complete and **submit Attachment D**.

- Validity of Response
- Statement of Compliance
- Certificate of Insurance
- Financial Information

J. Conflict of Interest Statement

Respondent shall complete and submit **Attachment E**.

K. Sponsorship/Ownership Profile

Respondent shall complete and submit the Sponsorship/Ownership Profile (**Attachment F**). Verification of information provided in **Attachment F** will be required during lease negotiations.

L. Proposed Rent Schedule

Respondent shall complete and submit **Attachment G** outlining the proposed rental rates, percentage share and annual rent amounts for various crops and grazing.