

# 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

<b>RFP Distribution</b>	<b>February 10, 2025</b>
<b>Recommended Site Visit</b>	<b>February 26, 2025 (weather permitting)</b>
<b>Request for Clarification Deadline</b>	<b>March 7, 2025</b>
<b>Submission Deadline</b>	<b>March 21, 2025</b>
<b>Evaluation to Select Short List</b>	<b>March 24-28, 2025</b>
<b>Short List Respondent Interviews</b>	<b>April 2-3, 2025</b>
<b>Notification of Selection to Final List</b>	<b>April 11, 2025</b>
<b>Lease Negotiations with Finalists</b>	<b>April 14, 2025</b>
<b>Planned MWD Board Action</b>	<b>June 10, 2025</b>

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**ATTACHMENTS** (*attached separately*):

Attachment A – Sample Lease Agreement

Attachment B – Webb Tract Proposed Rice and Wetland Map

Attachment C – Webb Tract Topographic Maps

Attachment D – Contact Information Form

Attachment E – Respondent’s Compliance Form

Attachment F – Conflict of Interest Statement

Attachment G – Sponsorship/Ownership Profile

Attachment H – Proposed Crop Plan and Rent Schedule

Attachment H.1 – 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 5 additional years, for a total possible lease term of 15 years. Through this Request for Proposals (RFP), 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 from one or more respondents (Respondent(s)).

Favored proposals will phase the preparation of rice fields for no more than three years, with a minimum of 300 acres of rice planted in the first year of the lease term and no less than 1,000 acres and up to 1,361 acres of rice planted by June 2028. Metropolitan has secured grant funding to assist the selected respondent to the RFP (Lessee(s)) with land preparation costs by providing up to \$3,000 per acre, subject to terms and conditions in the grant agreement and the lease agreement.

Lessee(s) will be responsible for land maintenance and vegetation management of approximately 1,500 acres, which includes the proposed lease premises. The remainder of the island will be developed into a habitat restoration project that includes wetland and upland habitats. Rice farming operations will be required to coexist with future construction and management of such wetlands. Metropolitan is expected to award a construction contract for the wetland and habitat restoration project in late 2025 or early 2026.

The attached map (**Attachment B**) shows the approximately 5,497 acres of land making up Webb Tract. Currently, waterfowl hunting occurs on approximately 139 acres of the Property, through a life estate grant. Holders of the life estate right and their invitees (Life Estate parties) will have hunting rights encumbering a portion of the Property. Respondent(s) shall be prepared to coexist with such third-party hunting activities.

### **1.2 About the Metropolitan Water District of Southern California**

Metropolitan is a regional wholesale supplier of water that is made up 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 imports water to supplement local supplies, which also assists its members in developing 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 (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. These projects are intended to be multi-benefit habitat restoration projects that stop and/or reverse subsidence, reduce Greenhouse Gas (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. If this RFP culminates in the execution of a rice farming lease agreement, then the

selected 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 selected Lessee to comply with the terms and conditions of the Grant. Some of the pertinent Grant terms and conditions that the selected Lessee will need to adhere to are as follows:

- Minimum 5-year commitment to farm rice (see below for phased development and planted crop requirements);
- Minimum of 300 acres of rice planted and harvested within the second anniversary of the lease commencement date and up to 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 \$3,000 per acre in possible Grant program reimbursement payments for land preparation and improvements (provided to Respondent on a pass-through basis and based on actual costs), 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 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- and post-construction monitoring by the Delta Conservancy, regulators and Metropolitan staff.

#### 1.4 RFP Schedule

1.	RFP Distribution	February 10, 2025
2.	Recommended Site Visits	February 26, 2025
3.	Request for Clarification Deadline	March 7, 2025
4.	Submission Deadline	March 21, 2025
5.	Evaluation to Select Short List	March 24-28, 2025
6.	Short List Respondent Interviews	April 2-3, 2025
7.	Notification of Selection to Final List	April 11, 2025
8.	Lease Negotiations with Finalists	April 14, 2025
9.	Planned MWD Board Action	June 10, 2025

#### 1.5 RFP Evaluation Phases

Respondents will be evaluated in phases as follows:

- Phase 1 will consist of Metropolitan evaluating 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 six 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 remaining leased Webb Tract lands are managed; 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	35%
Criteria 3	Delta Farming Experience	10%
Criteria 4	Property Maintenance and Protection	10%
Criteria 5	Financial Viability	15%
Criteria 6	Environmental Benefits	5%

## 1.6 RFP Process

### 1.6.1 Distribution

The RFP will be available on February 10, 2025 on Metropolitan's website at <http://www.mwdh2o.com/Doing-Business/Property-Use/Pages/default.aspx>.

### 1.6.2 Recommended Site Visit

Prospective Respondents are encouraged to visit the subject parcels on February 26, 2025 (weather permitting). Requests for site visits must be submitted via email to [WebbTractRFP@mwdh2o.com](mailto:WebbTractRFP@mwdh2o.com) by February 21, 2025. 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 the order in which the request was received.

### 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](mailto:WebbTractRFP@mwdh2o.com) by no later than **5:00 p.m. PDT, March 7, 2025**. 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 **March 12, 2025**. 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 March 21, 2025**, 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/crop phasing plan showing 300 acres of rice planted in the first year of the lease term and no less than 1,000 acres, but up to 1,361 acres, of rice planted by June 2028 within the rice fields as outlined in **Attachment H**.

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 2025."**
- d. **Proposals must be e-mailed to [WebbTractRFP@mwdh2o.com](mailto:WebbTractRFP@mwdh2o.com) by 11:59 p.m., PDT on March 21, 2025.**

#### **1.6.6 Minimum Qualifications**

- a. Interested parties shall have experience farming at least 500 acres of rice.
- b. Respondent shall have experience performing vegetation, weed and other maintenance on at least 1,000 acres of land.
- c. Respondent shall have experience maintaining weirs, water flow control and irrigation ditches.

#### **1.6.7 Desired Qualifications**

- a. Respondent's participation in a site visit at Webb Tract is strongly recommended.
- b. Respondent's business shall have been in existence actively farming crops for at least five years.
- c. Experience farming in the Sacramento-San Joaquin Delta.
- d. Experience maintaining sustainable agricultural practices that reduce greenhouse gas (GHG) emissions and encourage wildlife benefits.

#### **1.6.8 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



March 28, 2025.

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 three highest-scoring proposals to determine which Respondents will advance to the next step of Short List Interviews.

#### **1.6.9 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 three 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 March 31, 2025.**

Interviews are planned for mutually available times on **April 2-3, 2025**. 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.

#### **1.6.10 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 **April 11, 2025**, with all or some of the Respondents receiving invitations to enter into negotiations.

#### **1.6.11 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, projected land preparation costs and proposed land preparation costs 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 serve the best interests of Metropolitan.

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

#### **1.6.12 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 **June 10, 2025**.

#### **1.6.13 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 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.

#### **1.6.14 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.

#### **1.6.15 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.

#### **1.6.16 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 in a manner 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."***

#### **1.6.17 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.**

#### **1.6.18 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.

#### **1.6.19 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 for rice fields as outlined in Attachment B. Ferry or boat access is the only way to access Webb Tract. All Respondents are responsible for familiarizing themselves with the Property, including varying soil conditions (e.g., peat soils), high water table, restricted access, and below sea level lands protected by levees, sufficiently to submit their Proposals. These aforementioned site conditions will result in rice fields abutting wetland restoration areas. The Property has historically been farmed with seasonal crops, mainly corn. However, Metropolitan is seeking to stop or reverse subsidence by moving away from corn farming on Webb Tract and supporting other crops that will not contribute to ongoing 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. Reclamation District 2026 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 ten years with an option to extend for five additional years. The contracted rental rate set forth in the negotiated Lease Agreement will be based on the number of farmable acres 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 a 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 proposed rent must be submitted using the format provided in **Attachment H**.

Metropolitan will reimburse up to \$3,000 per acre for land preparation. The reimbursement may be in the form of rent credits/offsets and/or periodic payments to the selected Lessee based on the achievement of certain milestones. The final reimbursement schedule will be agreed upon during negotiations.

If after the sixth anniversary of the lease commencement date, rice farming is deemed not financially viable, as determined by Metropolitan and the Delta Conservancy, the rice can be replaced with another wet agricultural crop and revised rental amounts may be subject to negotiation.

### **2.3 Use of the Property**

Property use shall be for wildlife-friendly agricultural purposes only. It shall comply with all applicable local, state and federal laws and regulations, including the application and management of pesticides, herbicides, and fertilizers. The selected Lessee's use and enjoyment of the property shall be subject to all pre-existing encumbrances. It should be noted that the selected 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 will continue for the entire duration of the rice lease. Those future wetlands restoration areas are shown in **Attachment B**.

Metropolitan is seeking a commitment to plant and harvest approximately 1,361 acres of rice before the fourth anniversary of the lease commencement date, with a **minimum** commitment of planting 300 acres of rice in the first year of the lease term 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 ongoing subsidence. The land should be leveled and prepared for rice farming in increments of a minimum of 300 acres in year 1, with a minimum of 1,000 acres and up to a total of 1,361 acres of rice fields by June 2028. Topographic Maps are provided as **Attachment C** to give a rough idea of the land preparation work that may be needed. Compliance with applicable labor codes is required.

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

#### **2.4 Maintenance of the Property and Opportunity for Reclamation District-Related Work**

The selected Lessee shall be responsible for upkeep and maintenance of the duck clubhouse, trailer (if occupied by Lessee), maintenance/storage facilities, and a Quonset hut (maintenance facility), including vegetation or weed control of approximately 1,500 acres of the leased Property, which includes the rice fields or leased premises and as further defined during lease negotiations. Maintenance obligations under a lease agreement do not include the island perimeter levees, major irrigation drainage ditches, existing discharge pump stations, agricultural water diversion siphons, ferry-related facilities, and wetland acreage.

Metropolitan prefers that the selected Lessee have the following equipment available on-site:

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

In addition to having the above-referenced, specific equipment onsite, the selected Lessee shall have a dedicated staff person tasked with working closely with the Reclamation District on levee patrols. The Reclamation District shall provide compensation to the selected Lessee for onsite equipment, and joint maintenance or emergency response activities involving the selected Lessee and the Reclamation District. The selected Lessee's dedicated staff person shall be available for the functions described above, which may require being available on the lease premises on a 24-hour, 7-days-a-week basis and may be accommodated in the onsite living trailer. The selected Lessee shall coordinate with the Reclamation District related to equipment and personnel listed under Section 2.4.

#### **2.5 Other Lease Requirements**

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

- a. A provision for the selected 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.
- b. The selected Lessee is 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.

- c. A reservation of right for Metropolitan to reduce the size of the leased premises at a defined location during the lease term in exchange for a preset reduction of rent.
- d. The selected Lessee's compliance and collaboration with the local Reclamation District as needed to protect the island levee system and drainage function.
- e. In the event of any approved subletting of the rented parcels, a provision for the selected Lessee(s) to pay 50 percent of any sublease revenue or 50 percent of profits from sublease rental income to Metropolitan may be included.
- f. In addition to other provisions regarding the 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 six 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 offer the best value and serve 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:	Rice Farming Experience	25%
Criteria 2:	Proposed Rent	35%
Criteria 3:	Delta Farming Experience	10%
Criteria 4:	Property Maintenance and Protection	10%
Criteria 5:	Financial Viability	15%
Criteria 6:	Environmental Benefits	5%

### **3.1 Criteria 1: Rice Farming Experience**

The evaluation committee will evaluate Proposals based on the Respondent's experience successfully growing a minimum of 500 acres of rice, previous farming experience including maintaining infrastructure, including ditches and roads, maintaining weed and vegetation control, and maintaining at least 1,000 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 and lump sum payments for the grazing and non-rice crops on the approximately 1,361 acres as shown on **Attachment H**. 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. For example, the rent for rice farming should be at a base rate of no less than \$100 per acre plus a percentage of XX% for a 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 included in their Proposal.

### **3.3 Criteria 3: Delta 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 may also vary widely from island to island.

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

### **3.4 Criteria 4: Property Maintenance and Protection**

The Proposal should include a property maintenance and protection plan that will be scored or rated based on its comprehensiveness, readiness, responsiveness, and staffing and equipment availability information. The proposed plan should include maintenance of roads, ditches, irrigation canals, irrigation pumps, drainage discharge pipes, structures, and vegetation maintenance for land that makes up the leased property.

### **3.5 Criteria 5: 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.

### **3.6 Criteria 6: 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 enable 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 – Rice Farming Experience
- D. Criteria 2 – Proposed Rent
- E. Criteria 3 – Delta Farming Experience
- F. Criteria 4 – Property Maintenance and Protection
- G. Criteria 5 – Financial Viability
- H. Criteria 6 – Environmental Benefits
- I. Contact Information Form
- J. Respondent's Compliance Form
- K. Conflict of Interest Statement
- L. Sponsorship/Ownership Profile

### **4.1 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.

### **4.2 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 G**)
2. Respondent shall have experience farming at least at least 500 acres of rice.



3. Respondent shall have experience performing vegetation, weed and other maintenance on at least 1,000 acres of land.
4. Respondent shall have experience maintaining weirs, water flow control and irrigation ditches.

#### **4.3 Criteria One – Rice Farming Experience**

Respondent shall briefly describe their history of farming and their experience with rice farming.

#### **4.4 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 and non-rice crops in non-planted, designated rice areas on **Attachment H**. 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 \$100 per acre per year. The proposed rent for rice, grazing, and non-rice crops must be submitted using the format provided in **Attachment H**.

#### **4.5 Criteria Three – Delta Farming Experience**

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

#### **4.6 Criteria Four – Property Maintenance and 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 or assisting Metropolitan and the Reclamation District to protect the island, farmland, and island infrastructure from including but not limited to the levees, roads, ditches, irrigation canals, irrigation pumps, intake siphons, drainage discharge pipes, and structures. The available equipment that could be provided includes a long-reach excavator, loader, water truck, backhoe, grader, bulldozer, dump truck, and pickup truck. A higher score will be awarded to those Respondents who 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 provide property maintenance and protection, including maintenance of roads, ditches, irrigation canals, irrigation pumps, drainage discharge pipes, structures, and vegetation maintenance.

#### **4.7 Criteria Five – 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.

#### **4.8 Criteria Six – 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 enable beneficial use for migratory birds/shorebirds/waterfowl or installation of cover crops).

#### **4.9 Contact Information Form**

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

#### **4.10 Respondent's Compliance Form**

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

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

#### **4.11 Conflict of Interest Statement**

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

#### **4.12 Sponsorship/Ownership Profile**

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

#### **4.13 Proposed Rent Schedule**

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