



REQUEST FOR PROPOSALS

TO PROVIDE:

**CONSULTING SERVICES TO THE
SAN LORENZO VALLEY WATER DISTRICT**

PROJECT TITLE:

**FEASIBILITY ANALYSIS FOR UTILIZATION OF SAN LORENZO VALLEY WATER DISTRICT'S
LOCH LOMOND RESERVOIR SOURCE**

RESPONSE DUE BEFORE 3:00 P.M.

ON

October 10, 2023

**San Lorenzo Valley Water District
13060 Highway 9
Boulder Creek, CA 95006
(831) 430-4625**

I. INTRODUCTION

The San Lorenzo Valley Water District (SLVWD or District) is soliciting proposals from qualified consulting firms to complete a feasibility analysis for use of the District's annual allotment of up to 313 acre feet per year (AFY) of untreated raw Loch Lomond reservoir source.

II. GENERAL INFORMATION

A. Water Supplier

San Lorenzo Valley Water District (SLVWD or District) is a rural/urban water supplier to approximately 23,700 customers in Santa Cruz County, California. The District's legal boundaries encompass approximately 62 square miles within the San Lorenzo River watershed. Land uses are dominantly state and regional parks and other open space, water-supply watersheds, areas zoned rural residential and low-density urban residential and commercial (including schools), along with minor quarrying, logging, and agriculture. Much of the land within the legal boundaries consists of state parks and uninhabited forest, such that the District's actual service area comprises approximately 26 square miles.

The District was established in 1941, and is a Special District organized under Section 71000 of the California Water Code. The District has grown over time by the amalgamation of small mutual water systems. It currently operates and maintains two water systems, the SLVWD system and the SLVWD Felton system, which have different service areas and water sources. The SLVWD system service area includes the unincorporated communities of Boulder Creek, Brookdale, Ben Lomond, Quail Hollow, Glen Arbor, Zayante, and Lompico, as well as the following neighborhoods in and adjacent to the City of Scotts Valley: Hidden Glen, Lockewood Lane, Pasatiempo, Whispering Pines, Manana Woods and the Spring Lakes and Vista Del Lago mobile home parks. The SLVWD-Felton system service area includes the unincorporated community of Felton and neighborhoods along Highway 9 south of Felton to Big Trees and on the west outskirts of Felton along Felton - Empire Grade Road. The two systems are connected by interties that allow transfer of water between them on an emergency basis.

Interconnection of the systems allows for increased reliability, especially during emergencies, and allows all of the distribution systems to utilize surface water from each other during the winter months of normal rainfall years, providing in-lieu recharge to the groundwater aquifers through conjunctive-use. The Loch Lomond allotment will act as an additional water source for the District's expanded conjunctive use program.

B. Purpose

The purpose of the Loch Lomond Feasibility study (study) is to assess the best utilization of water from Loch Lomond Reservoir in accordance with SLVWD's 313 AFY annual contractual rights. The Loch Lomond allotment will be used to supply water to the North and Felton Systems to meet existing demand, and to reduce groundwater pumping in the South System, especially during the low-flow season.

The study will evaluate the best alternative for treatment of raw Loch Lomond water and the viability of purchasing treated water. Currently, the District does not have the infrastructure to treat Loch Lomond water. The evaluation will compare the costs and feasibility of upgrading the District's Kirby Water Treatment Plant or alternative treatment facilities versus purchasing treated water from the City of Santa Cruz.

In 2022 the Scotts Valley Water District & the City of Santa Cruz Water Department received a grant to complete an intertie between the two water agencies. The planned intertie offers an alternative wheeling route for purchase of treated water from the City of Santa Cruz. All local agency interties relevant to receiving the Loch Lomond allotment and the limitations of the District, the City of Santa Cruz, and Scotts Valley Water District's infrastructure are to be evaluated as part of the study.

C. History

In 1958 the District sold approximately 2,500 acres of property in the vicinity of the Newell Creek watershed to the City of Santa Cruz. As a condition to said sale, the District obtained a water service agreement to purchase raw water at a price to be determined by the City of Santa Cruz as the actual cost of production and transmission of water along Santa Cruz's Newell Creek pipeline to the point of diversion by the District.

The City of Santa Cruz created Loch Lomond Reservoir with completion of the Newell Creek Dam in 1960. Based on the 1958 agreement, the District began receiving deliveries of Loch Lomond water from the City in 1963. In 1965 the District constructed the Glen Arbor Treatment Plant for treating its Loch Lomond deliveries. Throughout the 1970s discussion around the District's allocation was brought to court, resulting in a reduction to the District's contractual allocation. The District can currently purchase up to 313 AF/yr. (further information on the court decision in appendix B).

At one time, the District owned and operated a small water filtration facility known as the Glen Arbor Water Treatment Plant that treated water from Loch Lomond Reservoir. This plant which was obsolete, and of limited capacity, was decommissioned and dismantled in 1998 and the property which had insufficient space for a new treatment plant was sold by the District in 2001. In 1981 the District acquired and developed an alternative ground water supply source

(Olympic well field) and ceased utilization of Loch Lomond water. Currently, the District has no other infrastructure to treat and deliver Loch Lomond water in compliance with current federal standards.

In 2010 the District contracted SPH Associates Consulting Engineers to prepare a Loch Lomond Reservoir Source Development Study. The study examined the technical feasibility and established the costs of developing for comparative purposes, the two alternative plans for utilizing the District's Loch Lomond Reservoir allotment. The District is now seeking a comprehensive update of this study including additional elements listed in the scope of services. The full 2010 Loch Lomond Reservoir Source Development Study is available under "Appendix A".

III. PROJECT SCOPE OF SERVICES

Consultant shall provide overall project management. The Consultant shall assume at least one meeting each month with District management staff. Meetings will be held at the District's main office or via online meetings or conference call. Expected tasks include:

1. Review & update the 2010 Loch Lomond Reservoir Source Development Study and begin to assess the areas of the report that are now outdated (e.g. Treatment infrastructure and technology, project costs, etc.) and assess potential of purchasing treated water. While not viable as an alternative in the 2010 study the District and City are now interested in the option of purchasing treated water from the City's surface water treatment plant, located on Graham Hill Road. All subsequent tasks should include this alternative.
2. Treatment upgrades: Identify upgrades to the District's Kirby treatment plant to allow for treatment of reservoir water to current and upcoming AWWA, EPA, and state standards, water quality vulnerabilities, and latest technologies.
 - Water Quality/Treatment: Determine optimal blending/mixing for raw water from Fall Creek and any proposed alternatives using water quality data and analysis.
 - Treatment plant footprint: provide proposed layout and determine any property acquisitions needed to accommodate upgrades.
 - Evaluation of waste disposal, positing no sewer usage and effluent haul away requirements.
 - Water Quality analysis considering blending, taste, odor etc. Provide analysis of seasonal variation of Loch Lomond water quality using City of Santa Cruz historic water quality data.
 - Water production analysis using District's 2019 water production totals.
 - Prepare an operational plan of water breakdown for both raw/treated.

3. Permitting & Agency Coordination: Determine any associated permitting and agency coordination for each alternative/option.
 - Coordinate meetings with the City of Santa Cruz Water Department; kick-off meeting & milestone meetings.
 - Collaboration with District and City staff regarding required treatment and water quality parameters.
 - Organize final reviews of documents with District and City staff.
 - Determine potential federal or state permitting or other required coordination for project implementation.
4. Evaluation of the feasibility of purchasing treated water:
 - Analysis of cost and infrastructure requirements
 - City of Santa Cruz operational problems/needs/restrictions vs. the District's requirements.
 - Wheeling treated water (potentially through Scotts Valley Water District).
 - Assess risks due to City policy or other (State treatment changes, etc.).
 - Exploration of future risks associated with wheeling water through multiple agencies, changes in City's operational methodologies or fees/costs, etc.
 - Source of Treated Water.
 - Restrictions on purchasing treated water, especially in times of drought.
 - Water Quality Concerns analysis blending purchased treated water with Scotts Valley Water and SLVWD water supply.
 - Would treated water allotment allow for the full 313-acre feet yield or would there be a reduction for the treatment process?
 - Scotts Valley Water treated water delivery concerns/costs. Analysis of Scotts Valley Water's system, future intertie with the City of Santa Cruz and ability to convey required water volumes and maintain required water flow rates from City of Santa Cruz tie-in to our intertie at Lockwood Lane.
 - Analyze possible direct connection to Santa Cruz system through Manana Woods
5. Tie-in Location for raw water: Determine best location for tie-in to City's raw water and conveyance to Kirby water treatment
 - Evaluate the current proposed tie-in location
 - Determine other potential tie-in locations
6. Estimated Costs:
 - Plant upgrades (including acquisition of additional properties)
 - Additional infrastructure
 - Estimated costs for treated water (over 30-year period)
 - Wheeling water costs for treated water.

- Evaluate purchase costs of raw water.
- Cost comparison full cost raw/treated over a 30-year period including infrastructure.
- Permitting & Agency Coordination costs
- Engineering estimates

7. Timeframes & scheduling

8. Public meeting presentations, virtual or in-person (4). Meetings include Environmental/Engineering Committee and Board of Directors.

9. Potential alternatives cost and benefits (raw water, treated water from GHWTP, treated water from SVWD, etc.)

10. The project must be completed within 120 days of contract execution.

IV. PROPOSAL REQUIREMENTS

The Proposal shall not exceed 20, 8.5" x 11" single-sided pages excluding resumes, cover letter, contractual scope of services, fee schedules, dividers, front and back covers. 11" x 17" pages are allowed and will count as two pages. The Proposal must use a font size of 12 or larger and be bound into a single document with the exception of the separately bound fee table. The Proposal shall include the following elements in the following order:

1. Cover Letter (1-page maximum):

Include a dated cover letter indicating the firm's understanding of and interest in the project and summarizing the key components addressed within the Proposal. This document shall be signed by at least one person authorized to represent and legally bind the firm. Please include name, address, telephone number, email and title for each of these persons.

2. Project Description and Approach (6-page maximum)

- Explain the objectives of the project, as you understand them, and how you propose to accomplish the recognized goals.
- Describe the important aspects of the approach that your firm will take for the services and deliverables to be provided.

3. Identification of Prime Consultant (1-page maximum)

- Legal name and address of the company.
- Legal form of company (e.g., partnership, corporation).

- iii. If company is wholly owned subsidiary of a "parent company," identify the "parent company."
- iv. Name, title, address and telephone number of person to contact concerning the Proposal.
- v. Project team and the discipline/job title of each team member.
- vi. Provide a general description of your firm's background and project qualifications, including years of business, any past bankruptcy filings, and identify any contract or subcontract by the firm which has been terminated, in default, or had claims made against it that resulted in litigation or arbitration in the last five years.

4. Identification of Sub Consultants, if any (1- page per sub-consultant maximum)

- i. Legal name and address of the sub-consultant company.
- ii. Name, title, address and telephone number of primary contact.
- iii. Number of staff and the discipline/job title of each.
- iv. Provide a general description of sub-consultant's background and project qualifications, including years of business, any past bankruptcy filings, and identify any contract or subcontract by the firm which has been terminated, in default, or had claims made against it that resulted in litigation or arbitration in the last five years.

5. Project Organization and Experience of the Project Team (3-page maximum, not including resumes)

- i. Describe the proposed project organization, including identification and responsibilities of key personnel, including sub-consultants. Include only one-page resumes.
- ii. Describe the experience of the proposed Project Manager and/or principal in charge and the experience that the proposed personnel have working on past projects as a team.
- iii. Describe project management approach to the work effort, locations where work will be done, responsibilities for coordination with the District, lines of communication necessary to keep the project on schedule.
- iv. Describe the firm's capacity to perform the work within the time limitations, considering the firm's current and planned workload and the firm's current and planned work force.
- v. Include a statement on what makes your firm uniquely qualified.

6. Experience and Past Performance, Including Cost and Schedule Control (4-page max / 3 projects max)

- i. Include a summary of the experience and performance of the proposed Project Manager and/or principal in charge on similar projects. Include the following information:
 - 1. Lead agency, contact name and phone number
 - 2. Project size and description

3. Project budget and total dollar value of completed project
4. Budgeted project schedule and total time to completion
- ii. Describe the firm's experience and performance on similar projects. Include the information listed above.

7. Exceptions to this RFP

The Consultant shall certify that it has fully read the RFP and if the Consultant does take exception(s) to any portion of the RFP, the specific portion of the RFP to which exception is taken shall be identified and explained.

8. Contractual Scope of Services

- i. The Consultant shall provide a detailed scope of services (Scope). This should be responsive to the requested scope of services with additional detail as necessary.
- ii. The Consultant shall provide a detailed schedule (Schedule) based on the allowable construction contract working days showing all facets of work that will meet the District's objectives and goals in a timely manner.

Both the Scope and Schedule are anticipated to become attachments to the Contract between the Consultant and the District.

9. Insurance

- i. Without limiting Consultant's indemnification of District, and prior to commencing any Services required under this Agreement, Consultant shall purchase and maintain in full force and effect, at its sole cost and expense, the following insurance policies with at least the indicated coverages, provisions and endorsements:
- ii. Commercial General Liability Policy (bodily injury and property damage): Policy limits are subject to review, but shall in no event be less than, the following:

1. \$1,000,000 Each Occurrence
2. \$1,000,000 General Aggregate
3. \$1,000,000 Products/Completed Operations Aggregate
4. \$1,000,000 Personal Injury
5. Workers' Compensation Insurance Policy as required by statute and employer's liability with limits of at least one million dollars (\$1,000,000) policy limit Bodily Injury by disease, one million dollars (\$1,000,000) each accident/Bodily Injury and one million dollars (\$1,000,000) each employee Bodily Injury by disease.

6. Comprehensive Business Automobile Liability Insurance Policy with policy limits at minimum limit of not less than one million dollars (\$1,000,000) each accident using. Liability coverage shall apply to all owned, non-owned and hired autos.
7. Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of Consultant. Coverage shall be in an amount of not less than one million dollars (\$1,000,000) per claim/aggregate.
- iii. Prior to commencement of any services under this Agreement, Consultant, shall, at its sole cost and expense, purchase and maintain not less than the minimum insurance coverage with endorsements and deductibles indicated in this Agreement.
- iv. The Consultant and its subconsultants are required to name the District, its officers, agents and employees as additional insured on their liability insurance for activities undertaken pursuant to this Agreement.
- v. Consultant shall file with District all certificates for required insurance policies for District's approval as to adequacy of insurance protection. The District will require a professional liability insurance verification for coverage of not less than \$1,000,000.00.

Any insurance certificates are anticipated to become attachments to the Contract between the Consultant and the District.

10. Total Professional Fee and Fee Schedules

- i. Proposed fee shall be organized with appropriate breakdown into subtasks.
- ii. Please also provide a proposed fee schedule including the hourly rates of all staff (including subconsultants) that will charge directly to the project for the project's duration.

The fee schedule is anticipated to become an attachment to the Contract between the Consultant and the District.

V. CONSULTANT SELECTION

The District will review and evaluate each submittal to determine if it meets the requirements for the service described herein. Failure to meet the requirements of this RFP will be cause for eliminating the applicant from further consideration. Based on the District's evaluation, the firms that meet the requirements of this RFP will be ranked. The following weighted criteria will be used to evaluate the Proposals provided in response to this request:

1. 30% Understanding and approach to the work to be done
2. 20% Experience of firm with similar types of work
3. 30% Experience of staff with similar kinds of work

4. 15% Overall clarity and presentation of Proposal
5. 5% Firm's Local Experience

VI. SELECTION PROCESS

It is anticipated that a contract/contracts will be awarded with the highest-ranking firm being selected. However, the District reserves the right to consider other factors such as overall cost and may award contracts to any qualified applicant, regardless of the assigned rank. The District will enter into negotiations with the selected firm. If the District can't negotiate an agreement that is fair and reasonable in the District's sole discretion, it reserves the right to select an alternate firm. At this time, the District contemplates the use of a Time and Materials with a Not-to-Exceed Total type contract for the services requested. Negotiations will cover: scope of work, contract terms and conditions, office arrangements, attendance requirements and the proposed fee schedule.

VII. SELECTION SCHEDULE

The District anticipates that the process for selection of firm and awarding of the contract will be according to the following tentative schedule:

Proposal Due Date	October 10, 2023
Board of Directors Approval	October 19, 2023
Final Selection and Notification	October 23, 2023

VIII. SUBMITTAL REQUIREMENTS

1. Submit one electronic copy of the proposal in PDF format (no CD or DVD). The Response shall be (electronic or wet-signature scan) signed by an individual, partner, officer or officers authorized to execute legal documents on behalf of the Firm. One single PDF format Proposed Fee Estimate marked "FEE ESTIMATE" in red shall be submitted separate from the proposal.
2. The Response Proposal must be received no later than **3:00 p.m.** local time, on or before **October 10, 2023** via email to: cblanchard@slvwd.com or via regular mail 13060 Hwy 9, Boulder Creek CA 95005; Attention Carly Blanchard

Failure to comply with the requirements of this RFP may result in disqualification. Questions regarding this RFP shall be submitted by email to cblanchard@slvwd.com.

Appendix A: Reference Documents

Links:

https://www.slvwd.com/sites/g/files/vyhlf1176/f/uploads/loch_lomond_1.pdf

<https://www.slvwd.com/environmental/pages/conjunctive-use-planning-documents>

<https://www.slvwd.com/files>

<http://smgwa.org/resources/>

Appendix B: Additional Background

From Santa Margarita Basin Groundwater Sustainability Plan (2021) Section 4.3.1.3

SLVWD has entitlements to a portion of Loch Lomond yield. In 1958, SLVWD sold 2,500 acres encompassing a portion of the Newell Creek watershed to the City of Santa Cruz with the agreement that SLVWD would be entitled to purchase 500 AFY, which was 12.5% of the annual safe yield from a future Newell Creek reservoir planned by the City of Santa Cruz. In 1960, the City completed the Newell Creek Dam which created Loch Lomond Reservoir. The reservoir has a drainage area of 8.3 square miles and a reservoir capacity of approximately 9,000 AF. The City of Santa Cruz's appropriative right allows a maximum direct diversion of 3,200 AFY and a maximum use of 5,600 AFY.

SLVWD began receiving a portion of the reservoir yield in 1963. In 1965 SLVWD constructed the Glen Arbor Treatment Plant for treating its Loch Lomond deliveries. Toward the end of the 1976-77 drought, the City of Santa Cruz stipulated that SLVWD was not entitled to an allocation of 500 AFY, merely 12.5% of the safe yield. This decision, based on a reduction to the estimated annual safe from the Newell Creek Reservoir, reduced SLVWD's contractual allocation. This determination led to several years of water disputes between the City of Santa Cruz and SLVWD. In June 1977, SLVWD filed a Complaint for Declaratory Relief, which requested the Court to make a judicial determination of the respective parties' duties and rights. In June 1980, a court order fixed the estimated annual safe yield from Newell Creek Reservoir at reduced quantity, which resulted in a reduction to SLVWD's contractual allocation. SLVWD can currently purchase up to 313 AFY. Since implementation of the Surface Water Treatment Rule, SLVWD has not had the means to adequately treat diversions from Loch Lomond. For that reason, SLVWD has not exercised its contractual allotment of 313 AFY of raw Loch Lomond water. In 2010, the City of Santa Cruz and SLVWD discussed an option that would allow SLVWD to purchase up to 313 AFY (102 million gallons) of treated City of Santa Cruz water. During the discussion, however, the City indicated that the treated water allocation would be reduced or interruptible during declared water-shortage emergencies. This was unacceptable to SLVWD, so the discussion did not lead to an agreement.

SLVWD commissioned a study to evaluate the feasibility and cost of utilizing its allotment of Loch Lomond (SPH Associates Consulting Engineers, 2010). The 2010 study presented costs of a project to upgrade the Kirby WTP and interconnect the Felton and San Lorenzo North and South Systems at a cost of approximately \$6.4 million. This cost estimate is now outdated and would need to be updated, and the project scope and assumptions revisited.

An alternative would be purchasing treated water from the City of Santa Cruz. This would require conveyance lines, upgrades to the Graham Hill WTP, a booster pump from the Graham Hill WTP, and additional interties to route treated water to SLVWD's South System and SVWD. In previous discussions, the City of Santa Cruz indicated that the availability of treated water sales would carry drought restrictions. During drought is exactly when SLVWD would most need the water. Upgrading the Kirby WTP, on the other hand, would allow SLVWD unrestricted use of its Loch Lomond entitlement during all seasons and water quality conditions.

