

EXHIBIT 6-A

Monterey Peninsula Water Management District

Request for Qualifications

CEQA Services

**Related to Potential Acquisition of Monterey Water Supply
and
District Boundary Adjustment**

Proposals are due by 5:00pm (Pacific Daylight Savings Time) on

March 10, 2020

1.0 INTENT

The District is requesting proposals for the preparation of CEQA documents regarding the District's potential acquisition of the private water system and related facilities located within and nearby the District. The water system is currently owned and operated by California American Water ("Cal-Am"), a wholly owned subsidiary of American Water Works Company, and is a Class A investor-owned public utility regulated by the California Public Utilities Commission

Measure J

On November 6, 2018 the voters within the Monterey Peninsula Water Management District (District) passed Measure J 56% to 44%. The measure directed that the following Rule 19.8 shall be added to the Monterey Peninsula Water Management District Rules and Regulations, Regulation I, General Provisions:

Rule 19.8. Policy of Pursuing Public Ownership of Monterey Peninsula Water System

- A. It shall be the policy of the District, if and when feasible, to secure and maintain public ownership of all water production, storage and delivery system assets and infrastructure providing services within its territory.
- B. The District shall acquire through negotiation, or through eminent domain if necessary, all assets of California American Water, or any successor in interest to California American Water, for the benefit of the District as a whole.
- C. The General Manager shall, within nine (9) months of the effective date of this Rule 19.8, complete and submit to the Board of Directors a written plan as to the means to adopt and implement the policy set forth in paragraph A, above. The plan shall address acquisition, ownership, and management of all water facilities and services within and outside the District, including water purchase agreements as appropriate. The plan may differentiate treatment of non-potable water services.

The District Board determined that to meet the "if and when feasible" criterion, it would engage an outside consulting team to perform a feasibility analysis. The results, presented publicly in November 2019, are that acquisition appears economically feasible. That team was comprised of specialists in eminent domain law, system valuation, cost of service modeling, debt finance, and investor-owned utility operations. The feasibility analysis comprised Phase 1 of the evaluation.

In December 2019, the District Board authorized additional contracted services for Phase 2 entailing establishing a value, making an offer, considering adoption of a Resolution of Necessity (assuming the District's offer is not accepted). Phase 2 also includes CEQA analysis of the potential environmental effects of a takeover, as well as potential boundary line adjustments for the District, which would have to be approved by the Monterey County Local Agency Formation Commission (LAFCO). If , the District obtains the required LAFCO approval and, if the District Board adopts a Resolution of Necessity, Phase 3 would entail the District's filing an eminent domain action to acquire California American Water Company's (Cal-Am's) Monterey water system (or such portion of that system that the District may elect to acquire). The eminent domain action would determine the District's right to take Cal-Am's assets identified in the District's resolution of necessity (if challenged by Cal-Am, as appears highly likely) and, if the Court determines that the District does have the right to take those assets, the just compensation amount the District is required to pay to Cal-Am.

The Monterey Peninsula Water System

Cal-Am provides water and wastewater service to its Central Division. The Central Division is comprised of the Monterey County District, the Central Satellites, and the Monterey Wastewater District. The water system, which is comprised of the Monterey County District and the Central Satellites, serves approximately 41,000 customer connections and a population of approximately 99,794.

The “Main” system within the Monterey County District serves approximately 38,325 customers and includes customers within the incorporated cities of Carmel-by-the-Sea, Del Rey Oaks, Monterey, Pacific Grove, Sand City, and Seaside, and the unincorporated areas of Carmel Highlands, Carmel Valley and Pebble Beach.⁵ The Main system is generally located within the MPWMD boundaries. The Monterey County District also includes the areas of Bishop, serving approximately 385 customers, Hidden Hills, serving approximately 454 customers, and Ryan Ranch, serving approximately 212 customers, which are areas that are also within the MPWMD boundaries. The Central Satellite areas include the areas of Ambler, Ralph Lane, Chualar, Toro, and Garrapata, which are located outside of MPWMD boundaries and serve a total of approximately 1,086 customers. The Ambler, Toro, Ralph Lane, and Garrapata systems have been consolidated into the Monterey County District for ratemaking and tariff purposes. The subject of the potential acquisition is (1) the portion of the water system located within the boundaries of the District, including the Main, Ryan Ranch, Bishop, and Hidden Hills systems, herein referred to as the Monterey Water System, (2) approximately 43 connections located in the Yankee Point and Hidden Hills area, immediately adjacent to the District’s boundaries (which would have to be annexed into the District prior to acquisition) (the “Annexation Area”), and (3) certain Cal-Am owned properties and facilities located outside the District’s boundaries whose primary function is to serve customers located within the District’s boundaries (including without limitation a proposed desalination plant site located in the City of Marina and a transmission pipeline and appurtenant facilities that are designed to deliver water from the desalination plant to the District).

Please note, at this time, the District is only considering the potential feasibility of acquiring the water system. To date, no decision has been made. However, for the purposes of this request, please conservatively assume that all Monterey Water System assets described above (including infrastructure, real property, and rights to the water supply) may be acquired by the District. However, and even if the District were to move forward with the acquisition of the Monterey Water System facilities, the District does not propose any physical changes or capital improvements to the current system, nor is the District at this time proposing expanded operations or use of the system.

2.0 SCOPE OF SERVICES

- The District is requesting your firm’s qualifications for CEQA support for the adjustment to District boundaries (LAFCO process) and the acquisition itself (District Board consideration of a resolution of necessity). Services include: This acquisition is a “partial take.” Cal-Am has a colorable argument that it will be required to service its satellite systems after the take and doing so (together with the District’s service of the areas within its boundaries) will be somewhat less efficient and collectively will necessitate more service vehicle miles traveled (“VMTs”) and more attendant impacts due to air pollution, GHGs, and possibly even traffic. This type of impact, if it exists, is the sort of impact that California courts have found to be subject to CEQA. The District believes this impact is minimal and there are potential offsets to the potential for additional VMTs but ignoring CEQA entirely would be inappropriate. The District has not identified any other potential environmental impacts of its potential acquisition, but looks to the selected consultant to address any environmental issues the consultant believes the District may have overlooked. The District will look to the advice of the selected consultant whether a full EIR,

Negative Declaration, or Mitigated Negative Declaration is appropriate pursuant to CEQA and applicable provisions of the State CEQA Guidelines. Based upon the result of that preliminary analysis, the District would look to the selected consultant to prepare any required technical reports and the EIR (including taking primary responsibility for preparing responses to public comments thereon), Negative Declaration, or Mitigated Negative Declaration, as applicable.

- The second area of CEQA work is to meet the needs of LAFCO for a boundary reorganization to bring two small areas (Yankee Point and Hidden Hills) comprising approximately 43 service connections into the District boundaries and remove it from other governing agency boundaries (as appropriate).
- Identify key issues that may affect futures phases of the eminent domain process.
- Preserve confidentiality in all work product and communications to District and District Counsel.
- Provide schedule for work product, including interim milestones, with final product delivery by June 30, 2020. (Note: This timeline does not include any required public review periods. In addition, if the consultant determines a full EIR is required, it is understood that this proposed schedule will have to be extended.)
- Any and other services as needed and requested by the District

The timeline for completion of the CEQA process will likely be short with outcomes desired by the end of June (again, subject to required public review periods and extension if a full EIR is determined to be necessary). Therefore, we request that all interested parties verify that they are appropriately staffed and capable to assist the District immediately and expeditiously before submitting a proposal. If such timing is not possible due to statutory CEQA noticing and review requirements, please indicate.

3.0 CALENDAR

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| 3.1 Issue RFQ | February 21, 2020 |
| 3.2 Statement of Qualifications Submittal Deadline | March 10, 2020 5:00pm |
| 3.4 District Board Consideration and Award | March 16, 2020 |

4.0 POINTS OF CONTACT

4.1 Questions and correspondence regarding this solicitation shall be directed to:

Primary Contact: **Monterey Peninsula Water Management District**
David C. Laredo
District Counsel
606 Forest Avenue
Pacific Grove, CA 93950
Telephone: (831) 646-1502
Email: dave@laredolaw.net

4.2 Questions regarding this solicitation shall be submitted in writing (E-mail is acceptable). The questions will be researched and answers will be communicated to all known interested Proposers.

4.3 Only answers communicated by formal written addenda will be binding.

5.0 SCOPE OF QUALIFICATIONS

Prospective consultants must demonstrate viable capabilities in the proposed Scope of Services. Any relevant contractual agreements with third parties must be identified, and a copy of each agreement shall be submitted for review by District. Documents that contain trade secrets shall be labeled as such and shall be submitted under separate and confidential cover. The District shall return each confidential document to the Proposer following review. Prospective consultants must provide qualifications as described in Section 6, below.

6.0 STATEMENT OF QUALIFICATIONS REQUIREMENTS

6.1 CONTENT AND LAYOUT:

6.1.1 Proposer shall timely provide information as requested. The Statement of Qualifications shall be organized as described below; headings and section numbering utilized in the Statement of Qualifications shall be the same as those identified in the requirements below. Each Statement of Qualifications shall include at a minimum the following information in the format indicated. PROPOSALS ARE LIMITED TO 12 PAGES, exclusive of cover letter, table of contents, and appendices. Additional relevant material may be added by the Proposer.

Section A: Requirements

Cover Letter: Each Statement of Qualifications must be accompanied by a cover letter not exceeding two pages and should provide organization information and Contact information as follows:

Contact Info: The name, address, telephone number, and email address of Proposer's primary contact person during the solicitation process through potential contract award.

Table of Contents – Each Statement of Qualifications shall include a Table of Contents.

Section B: Qualifications

1. Briefly state why your firm is best qualified for this assignment.
2. Based on the limited information provided above, what is your approach to the first two tasks in the scope of services, above?

Section C: Experience

3. Describe your firm's recent success at similar engagements.
4. Provide brief case studies for the two engagements you believe are most comparable to the District's proposed scope of service

Section D: Future Scope

5. If the acquisition of the water system is shown to be feasible through the selected consultant's work during this phase, what role and scope of services do you foresee might be required of the Consultant in the future? (Contract terms for any future services such as these will be negotiated and established in the future.)
6. Are you able to explain or defend your work by providing expert testimony in a future legal proceeding?

Section E: Team

7. How do you propose to staff this engagement? Please provide a proposed project team and brief resumes. Please provide each team member's experience over the last five (5) years with similar engagements (including dates, name of client(s) served, and contact for reference).

Section F: Timeline

8. Based on your understanding of the scope of services, please provide a prospective timeline, with key milestones, assuming all final work product is desired by June 30, 2020. Interim events such as review by the entire consulting team, review of draft work by District Counsel and eminent domain counsel, and interim updates to the District board should be considered.

Section G: Fees

9. Please provide a not to exceed fee proposal. Please explain out-of-pocket policies and estimated out-of-pocket costs.

Section H: Conflicts and Litigation History (if any):

10. Please list any potential conflicts of interest your firm may have in acting as consultant for the District. Identify any engagements in the past 5 years with investor-owned water utilities, American Water Works Company and/or its subsidiaries, including without limitation California American Water Company.

Section I: Exceptions

11. Submit any and all exceptions to this Request for Qualifications, and clearly identify with "Exception to Monterey Peninsula Water Management District Request for Qualifications. Each Exception shall reference the page number and section number, as appropriate. Proposer should note that the submittal of an Exception does not obligate the District to revise the terms of the RFQ or Agreement.