



SOLICITATION NO: M-15-015-GC

REQUEST FOR LEASE BIDS
RELEASE DATE: January 4, 2016

**Regarding Additional Water Supplies in the Form of the Lease of Transferable Edwards
Aquifer Authority Groundwater Withdrawal Rights**

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Rolling Deadlines: February 5, 2016 at 2:00 PM CT

With lease bids being opened on a bi-weekly basis thereafter until December 23, 2016, at 2:00 PM Please reference Section V., Bid Opening Schedule, found on page 3.

I. Project Information

a. Scope

The San Antonio Water System (SAWS) is soliciting Lease Bids for a 2 or 5 year lease by SAWS of permitted transferable groundwater withdrawal rights from and out of Edwards Aquifer Authority (EAA) Initial Regular Permits and Regular Permits ("EAA groundwater rights"). Types of EAA groundwater rights that are transferable include those for industrial or municipal use, as well as that portion of irrigation permits designated as "unrestricted irrigation groundwater" by the EAA. SAWS will not accept groundwater rights from the portion of irrigation permits designated as "base irrigation groundwater." **SAWS will not consider Lease Bids of less than 20-acre feet. In addition, the term of the proposed lease must begin in either 2016 or 2017.**

b. Information and Instructions to Bidders:

- 1) SAWS reserves the right to reject any or all Lease Bids, to waive any minor irregularities or technicalities, and to accept Lease Bids based on the bid lease rates, evaluated from lowest to highest. Additionally, SAWS reserves the right to reject a bid where there are title or permit issues regarding the EAA groundwater rights that, in SAWS' determination, may affect the bidder's ability to lease. Incomplete Lease Bids may not be considered.

Regarding EAA groundwater rights under Lease to Third Parties: EAA groundwater rights under lease or sublease to any party other than SAWS will not be considered unless the lease or sublease expires on or before December 31, 2016.

- 2) All Lease Bids submitted shall be considered valid and irrevocable for a period of not less than sixty (60) days from the date they are opened by SAWS, or if notified by SAWS as to acceptance or rejection of a Lease Bid, whichever is first. A sample Lease Agreement and EAA Permit Holder letter may be viewed on SAWS' website at the following link: http://www.saws.org/business_center/ContractSol/.

Bidders should submit Lease Bids on Exhibit 1 attached to this solicitation. If the offer is accepted and, as necessary, approved by the SAWS Board, SAWS will prepare the Lease Agreement in substantially the form found on the above link, for execution by the Bidder. Bidder must return an executed Lease Agreement to SAWS no later than ten (10) business days from the date mailed by SAWS. If the executed Lease Agreement is not returned to SAWS

within ten (10) business days, the Bidder will be deemed as “non-responsive” and may be eliminated as a Bidder.

Non-selected Bidders may resubmit Lease Bids anytime during the open period of this solicitation.

- 3) SAWS will accept Lease Bids from January 4, 2016 through December 23, 2016, with the first bid opening being held on February 5, 2016. Bids will be opened thereafter per the Bid Opening Schedule found on page 3 of this solicitation.
- 4) Lease payments will be made as described in the Lease Agreement.

II. Questions and Clarifications

a. Questions

Respondents may submit questions concerning this Lease Bid, in writing, including via e-mail. The Contact Person for this project is:

Steven Bereyso
San Antonio Water System
2800 U.S. Hwy 281 North
San Antonio, TX 78212
Email: steven.bereyso@saws.org

b. Submittal Clarification

SAWS reserves the right to request clarification to assist in evaluating the Bidder's response, when the Lease Bid response is unclear with respect to pricing, quantity or other factors. The information provided is not intended to change the Lease Bid response in any fashion.

III. Submitting a Response

Bidder must submit the following documentation as part of their bid. Any Bidder that does not meet the following criteria may be deemed "non-responsive" and may be eliminated:

- Complete and sign the attached form (Exhibit 1) indicating the EAA permit number(s) of the EAA groundwater rights offered for Lease Bid, the amount of acre-feet (AF) per annum offered, the term of the offered lease (being either 2-years or 5-years, beginning either January 1, 2016 or January 1, 2017), and the lease rate of the offered EAA groundwater rights.
 - Submit copies of all contracts and agreements affecting the EAA groundwater rights, including without limitation leases, options to buy, rights of first refusal, and all amendments, modifications and supplements thereto.
1. Submission of Bids – One (1) original Lease Bid must be submitted either in person, via mail or overnight service (Fed Ex, etc), to the following address:

San Antonio Water System
Attn: Contract Administration
Customer Center Building
2800 U.S. Hwy 281 North, Suite 171
San Antonio, Texas 78212

Upon request, and at SAWS' election, SAWS will pick up the sealed Lease Bid at bidder's requested location.

2. Responses submitted via facsimile or email will not be considered.
3. Lease Bids must be clearly marked on the outside with the solicitation name and number of this solicitation, as well as the targeted Bid Opening Date.

4. **Response Format** - Parties submitting a Lease Bid in response to this Request for Lease Bids should submit a package with the following documents in the following order:

1. Exhibit 1 – A signed Lease Bid for Lease of EAA Groundwater Rights
2. Copies of any leases or other documents affecting EAA groundwater rights offered for Lease Bids as described in Section I(c)(3) above

IV. Reservation of Rights

SAWS reserves the right to:

1. Issue a subsequent Lease Bid process;
2. Cancel the entire Lease Bid process;
3. Remedy technical errors in the Lease Bid process;
4. Waive informalities and irregularities;
5. Accept multiple Lease Bids at each bid opening;
6. Request additional information or clarification;
7. Reject any or all Lease Bids submitted.

All responses and their contents will become the property of SAWS.

V. Bid Opening Schedule:

February 5, 2016	April 1, 2016	May 27, 2016	July 22, 2016	September 16, 2016	November 11, 2016
February 19, 2016	April 15, 2016	June 10, 2016	August 5, 2016	September 30, 2016	November 23, 2016
March 4, 2016	April 29, 2016	June 24, 2016	August 19, 2016	October 14, 2016	December 9, 2016
March 18, 2016	May 13, 2016	July 8, 2016	September 2, 2016	October 28, 2016	December 23, 2016

VI. Information Meeting Schedule:

SAWS will hold four (4) informational meetings on the days and times provided in the chart below.

<u>Uvalde</u> January 13, 2016 11:00 a.m. – 1:00 p.m. Texas A&M Agrilife Research & Extension Center 1619 Garner Field Rd., 78801	<u>Hondo</u> January 15, 2016 11:00 a.m. – 1:00 p.m. Community Center 1014 18 th St., 78861
<u>Castroville</u> January 20, 2016 11:00 a.m. – 1:00 p.m. Louis Braden Keller Community Center 610 Madrid St., 78009	<u>San Antonio</u> January 22, 2016 11:00 a.m. – 1:00 p.m. SAWS Headquarters, Tower II, Room 145 2800 US Hwy 281 North, 78212

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EXHIBIT 1

Bid for Lease of EAA Groundwater Rights

Prepare and sign this page. It is a required document.

Use the chart below for to submit a Bid Lease for a 2 year or 5 year lease:

Permit Number	Acre-feet per annum offered	Indicate 2 yr or 5 yr Lease, beginning 2016 or 2017	Price Per acre-foot (PPA)	Total Lease Cost
Ex: P000-000 (UV00000)	100	5, 2016	\$130.00	(AF * PPA) * Term = Cost (100 * 130.00) * 5 = \$65,000.00

Please sign using this signature block below:

Print Name(s)	Signature(s)	Telephone Number(s)	Address	Date

Use additional copies of this page if additional signature blocks are necessary.