



Midpeninsula Regional
Open Space District

R-15-114
Meeting No. 15-21
August 26, 2015

AGENDA ITEM 6

AGENDA ITEM

Grazing Tenant Selection for Mindego Ranch

GENERAL MANAGER'S RECOMMENDATION

Authorize the General Manager to execute a long term Grazing Lease with Bar DX Livestock (Ronnie and Bartley Seever) for the Mindego Hill Grazing Unit of Russian Ridge Open Space Preserve.

SUMMARY

Midpeninsula Regional Open Space District (District) released a Request for Proposal (RFP) on May 1, 2015 to solicit proposals from qualified livestock operators to graze the Mindego Hill Ranch property, located in the Russian Ridge Open Space Preserve. After completing a thorough review and evaluation of the proposals, and considering the District's policies and goals regarding agricultural operations in the coastal area, staff determined Bar DX Livestock to be the most highly qualified applicant for the Mindego Hill Ranch grazing lease. Therefore, the General Manager is seeking Board authorization to execute a long term, 5-year grazing lease with this operator.

DISCUSSION

The District released a Request for Proposals (RFP) on May 1, 2015 to solicit proposals from qualified livestock operators to graze the Mindego Hill Ranch property, located in the Russian Ridge Open Space Preserve (see Attachment 1). A resource grazing plan, prepared by Sage and Associates, for the Mindego Hill Ranch property was approved by the Board of Directors as part of the Mindego Hill Ranch Property purchase in 2008 (see R-08-38). A brief description of the property and the District's management objectives follows.

Mindego Hill Ranch Property

The Mindego Hill Ranch property was grazed continuously for several decades, most recently by the former owner, the True Family. In 2007 Peninsula Open Space Trust (POST) purchased the property from the True family and in 2008 the District purchased the property from POST. Upon the District's acquisition in 2008, grazing ceased when the True family vacated the property, and the District began an intensive program to control expansive infestations of purple starthistle and distaff thistle, both of which are listed by the California Invasive Plant Council (Cal-IPC) as "High Risk" to native ecosystems. In addition to the invasive plant treatment, numerous natural resource studies have been implemented and the District applied for and received a Recovery Permit from the United States Fish and Wildlife Service (USFWS) and the California

Department of Fish and Wildlife (CDFW) for management actions to recover the population of San Francisco Garter Snake (SFGS) as well as other sensitive species, such as California red-legged frog (CRLF) located on the property. The Recovery Permit allows the District to operate and perform routine maintenance on the property while allowing for the incidental take of CRLF and SFGS, though a number of mitigating measures and best management practices are being implemented to minimize the potential risk for take. The Recovery Permit recognizes livestock grazing as an accepted method for managing upland grassland habitat for CRLF and SFGS around the multiple water bodies present on the property. In addition, the District made a commitment to the San Mateo County Farm Bureau (SMCFB) to reintroduce livestock grazing to this historically agricultural producing property prior to public opening of the Mindego Trail, tentatively scheduled for spring 2016.

In order to fulfill commitments to USFWS, CDFW and SMCFB, the District plans to reintroduce livestock grazing to Mindego Hill as a resource management tool, with Bar DX Livestock as the grazing tenant and livestock operator. Reintroduction of livestock grazing is tentatively planned for November 1, 2015 and will be managed in accordance with the District's Conservation Grazing Policy.

The property will be managed according to the grazing plan prescriptions which call for year-round, rotational grazing. The property consists of 1,047 acres divided into three (3) separate pastures with a fourth pasture anticipated to be incorporated in FY2016-17. The suggested stocking rate is 480 Animal Unit Months annually (equivalent to 35-40 cow/calf pairs, on average, year round.).

Selection Process

There was significant interest in the property from grazing operators. A mandatory pre-bid site visit drew 9 prospective tenants. The District received 2 written proposals that were reviewed and rated by a scoring panel which included POST's Director of Land Stewardship and District staff from the Natural Resources, Operations, and Real Property Departments. The panel recommended interviews with both applicants, consisting of both an initial interview at the District office and a second interview as part of a site visit to a property managed by the applicant. This second interview evaluated the applicant's understanding and willingness to conduct their grazing activities in a manner that will enhance the natural resource values, promote maintenance and improvements to the property, and work with the District to achieve recreational and resource management goals. The selection process used a rigorous scoring system that assigned value to various goals and concerns outlined in the RFP, including applicants' experience, capacity, history, and knowledge, with an emphasis on natural resource management issues. The table below presents the ranking of applicants based on their proposals, interviews and site inspections:

Table 1: Ranking of Applicants

| Rank | Applicant | Location | Total Score (1250 pts possible) |
|-------------|--|-------------------|--|
| 1 | Bar DX Livestock (Ronnie & Bartley Seever) | Castro Valley, CA | 927 pts. |
| 2 | JK Land and Cattle (Josh Peixoto) | Castro Valley, CA | 499 pts. |

The District’s Grazing Management Policy establishes the goal to:

“Manage District land with livestock grazing that is protective of natural resources and that is compatible with public access; to maintain and enhance the diversity of native plant and animal communities, manage vegetation fuel for fire protection, help sustain the local agricultural economy, and preserve and foster appreciation for the region’s rural agricultural heritage.”

Bar DX Livestock has demonstrated significant skills and experience managing similarly sized grazing leases. They have worked with multiple regulatory agencies on the management of mitigation lands where they have completed similar infrastructure projects, and have worked with private partners to manage a mitigation bank with sensitive species and habitats with cattle grazing. They have extensive experience managing cattle grazing in steep, remote terrain similar to conditions found at Mindego Hill. Bar DX Livestock has overseen grazing operations on a number of public lands owned by the East Bay Regional Park District including managing cattle around multiple facets of public recreation.

FISCAL IMPACT

The District lease rate for grazing properties is calculated by multiplying the number of Animal Unit Equivalents (AUE) grazing on the property by the total number of months grazed for the season/year to obtain the total Animal Unit Months (AUM). The AUMs utilized are then multiplied by the current AUM rate to determine the total lease fee for the year. The FY2015-16 fair market value AUM rate utilized by the District is \$26.20 per AUM.

The estimated initial lease rate for the Mindego Ranch is as follows:

| Ranch | AUM | AUM Rate (2015) | Annual Lease Fee |
|--------------|------------|------------------------|-------------------------|
| Mindego | 480 | \$ 26.20 | \$ 12,576 |

BOARD COMMITTEE REVIEW

The full Board of Directors approved the amendment to the Russian Ridge Open Space Preserve Use and Management Plan in January of 2014 (see Report R-14-21), which included the reintroduction of grazing to this property.

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. Additionally, persons on the interested parties for the District’s Coastal projects were also notified.

CEQA COMPLIANCE

The Mindego Use and Management Plan and associated CEQA review, which included grazing (infrastructure and operation), were approved by the Board on January 22, 2014 (see R-14-21). Regulatory agency consultation authorizing grazing as a recovery action for SFGS at Mindego Ranch was authorized by the USFWS in a Recovery Permit issued on July 22, 2014 and by the CDFW in a Memorandum of Understanding issued December 10, 2014.

NEXT STEPS

Board adoption of this item will conclude the Request for Proposals process for the Mindego Hill grazing lease. The General Manager will proceed to negotiate and execute a long term grazing lease with Bar DX Livestock.

Attachments:

1. Mindego Hill Regional Map
2. Mindego Hill Grazing Infrastructure and Pasture Map

Responsible Department Head:

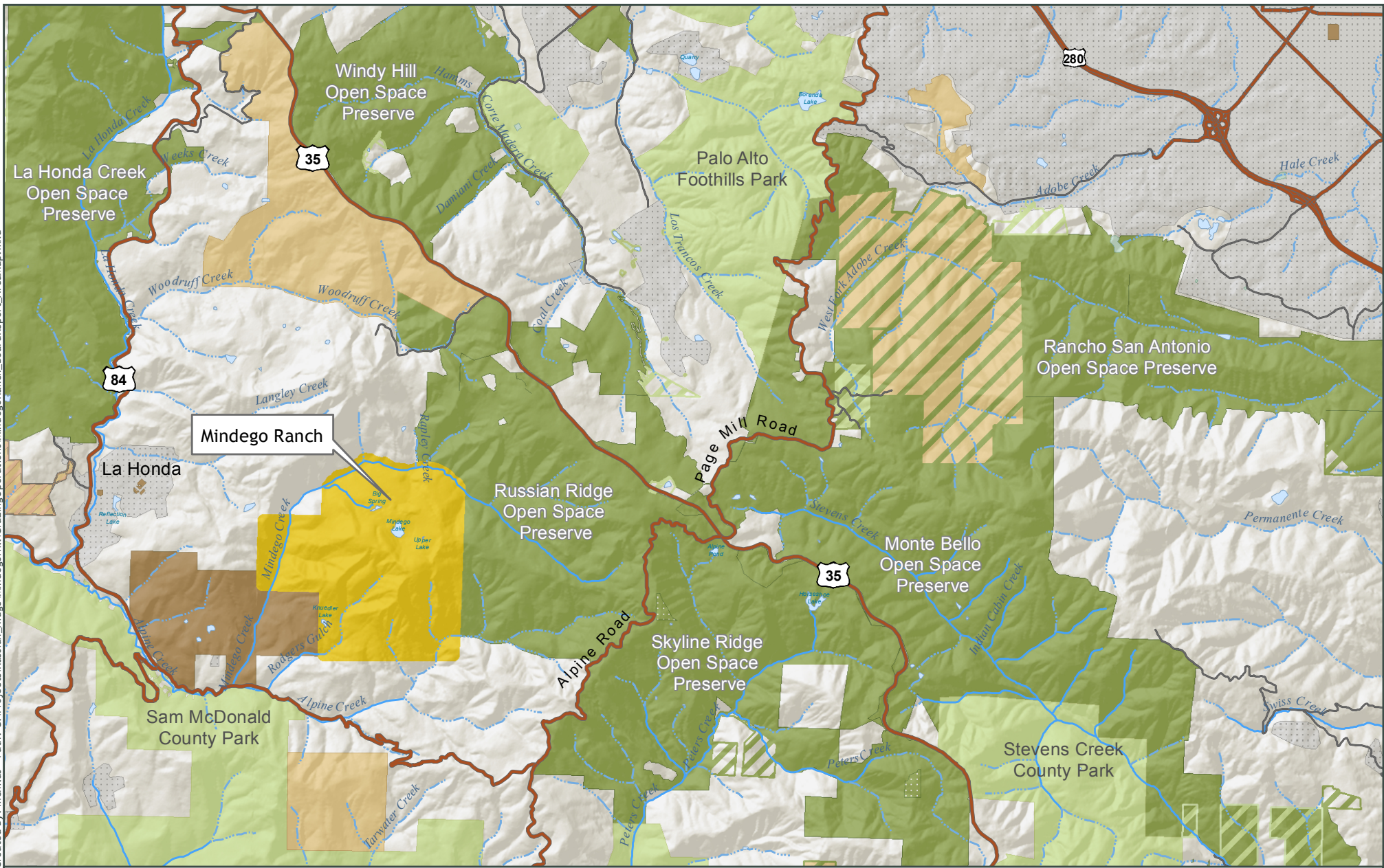
Kirk Lenington, Natural Resources Manager

Prepared by:

Clayton Koopmann, Rangeland Ecologist

Graphics prepared by:

Michele Childs



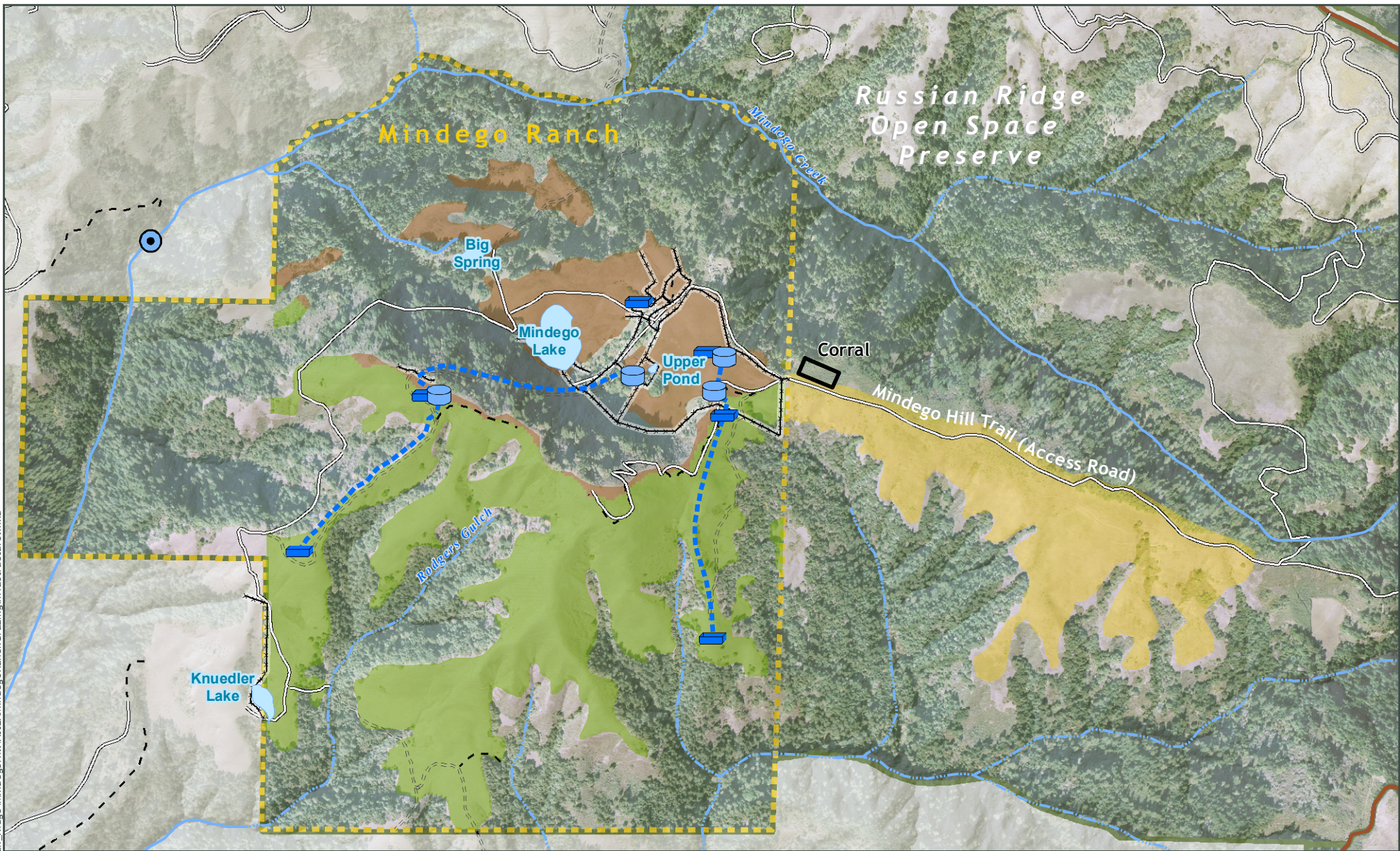
Attachment 2: Project Location

- | | | |
|---|---|---|
|  MROSD Preserves |  Other Public Agency |  Mindogo Ranch |
|  Other Protected Open Space or Park Lands |  Land Trust |  Private Property |
|  Watershed Land |  MROSD Conservation or Agricultural Easement | |

Midpeninsula Regional
Open Space District
(MROSD)

April, 2015





Created By: mchid@path. C:\Projects\Russian_Ridge_MindegoHill\AT2\MindegoRanchGrazingInfrastructure.mxd

Attachment 2 : Mindego Ranch Grazing Infrastructure

- | | | | |
|------------------------|------------|------------------------------------|---|
| Mindego Ranch Property | Spring | Cuesta La Honda Point of Diversion | Potential Future Grazing Expansion Area |
| MROSD Preserves | Water Tank | Existing Fence | Summer Pasture |
| Other or Private Land | Trough | Corral | Winter Pasture |
| | Water Line | | |

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April, 2015



While the District strives to use the best available digital data, this data does not represent a legal survey and is merely a graphic illustration of geographic features.