

R-21-62 Meeting 21-14 May 12, 2021

AGENDA ITEM 4

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Award of Contract to Ronald Seever for Construction of Conservation Grazing Infrastructure Improvements in Russian Ridge Open Space Preserve on the Mindego Ranch South Pasture **Expansion Area**

GENERAL MANAGER'S RECOMMENDATIONS



- 1. Authorize the General Manager to execute a \$30,000 contract with Ronald (Ronnie) Seever to fund a water system improvement project partially funded by the Natural Resource Conservation Service (NRCS).
- 2. Authorize the General Manager to enter into a contract with Ronnie Seever to construct perimeter fencing for a base amount of \$76,800 and authorize a 10% contingency of \$7,680 for a total not-to-exceed contract amount of \$84,480.

SUMMARY

In support of the Midpeninsula Regional Open Space District's (District) conservation grazing program the General Manager recommends approval of two contracts with Ronnie Seever, the District's grazing tenant at Mindego Ranch, to construct conservation grazing infrastructure improvements to allow expansion of the Mindego Ranch grazing lease into the south pasture area along the Mindego Hill Trail in Russian Ridge Open Space Preserve. The infrastructure improvements include livestock fencing and water system installation in the south pasture expansion area of Mindego Ranch (Attachment 1).

BACKGROUND

In the late 1990s, coastal residents expressed their support for extending District boundaries to include the San Mateo County Coast, where development was beginning to threaten the area's rural character. When the District's Coastal Service Plan was adopted in 2004, a commitment was made to the coastal community to preserve the rural character of the area and its agricultural land. This is reflected in the District's Mission Statement for the San Mateo County Coastal Protection Area:

To acquire and preserve in perpetuity open space land and agricultural land of regional significance, protect, and restore the natural environment, preserve rural character, encourage viable agricultural use of land resources, and provide opportunities for ecologically sensitive public enjoyment and education.

Coastal grasslands are one of the most biodiverse and threatened ecosystems in North America, and in many cases depend on regular disturbances like grazing or fire to prevent encroachment by native and introduced species of grasses, shrubs, and forests. These disturbances were historically provided by grazing native wildlife herds and Native American burning practices. Today the use of conservation grazing is a method utilized to replace indigenous wildlife herds and has proven beneficial in preventing or minimizing encroachment of invasive vegetation.

Conservation grazing focuses on the use of livestock to pursue conservation goals such as native species habitat enhancement. This focus distinguishes conservation grazing from basic livestock production. The grazing plan developed for each grazing location sets the management parameters (such as stocking rates, class of livestock, seasonality, and duration of grazing activity) to meet conservation goals. The District uses conservation grazing as a critical tool for managing more than 8,000 acres of coastal range and grasslands for ecological health, biodiversity, and wildland fire resiliency. The District's Conservation Grazing Program is a mutually beneficial partnership with small-scale local ranchers on the San Mateo County Coast to accomplish multiple goals aligned with the District's mission.

The Mindego Ranch property was acquired by the District as a part of the Russian Ridge Open Space Preserve in 2008 (R-08-38). After acquisition, a biological survey of the property was completed and a significant presence of the federally listed endangered San Francisco Garter Snake (SFGS) and its native prey, the California red-legged frog (CRLF), was confirmed. Plans for habitat enhancement for these two important and protected species were developed.

An amendment to the Use & Management Plan (U&M) for the Mindego Ranch property was approved in 2014 (R-14-21). The amended U&M called for the introduction of conservation grazing as a management tool to enhance and protect sensitive habitat for both the SFGS and CRLF. Mindego Ranch is one of only six known populations of the endangered SFGS.

After a competitive Request for Proposal solicitation, a long-term lease was negotiated and executed with Bar DX Livestock in 2015 (R-15-114). Ronnie and Bartley Seever are the owners of Bar DX Livestock. When the lease was executed, cattle were allowed access to three pastures on 1,047 acres of Mindego Ranch. The south pasture area was identified by District Staff as a fourth pasture and a future priority for conservation grazing expansion in the preserve to further protect and enhance sensitive species habitat and reduce fuel loads.

At the January 22, 2020 Board meeting, two addenda to the Mindego Ranch Grazing Plan (R-20-10) were approved. The first addendum provided guidance for the management in the south pasture expansion area. The second addendum was to the Mitigated Negative Declaration for the Russian Ridge Use and Management Plan, in accordance with the California Environmental Quality Act, to add the south pasture as part of the conservation grazing area on the property. These approvals allowed staff to move forward with the development of the south pasture area for conservation grazing.

DISCUSSION

Partnership Opportunity

The Natural Resource Conservation Service (NRCS) is a federal agency under the US Department of Agriculture that provides farmers and ranchers with financial and technical assistance to encourage conservation practices as part of day-to-day agricultural activities. The NRCS manages the following natural resources conservation programs that assist agricultural

producers with reducing soil erosion, enhancing water supplies, improving water quality, increasing wildlife habitat, and reducing damage caused by floods and other natural disasters:

- Agricultural Management Assistance Construct or improve water management or irrigation structures.
- *Conservation Stewardship Program* Improve resource conditions, such as soil quality, water quality, air quality, habitat quality, and energy.
- Environmental Quality Incentives Program (EQIP) Implement conservation practices, or activities, such as conservation planning, that address natural resource concerns on agricultural lands.

Ronnie Seever, the District's tenant at Mindego Ranch, worked with the local NRCS office to determine if the infrastructure improvements required to graze cattle on the south pasture area would qualify for funding assistance through these federal programs, thereby reducing District costs to introduce grazing to the south pasture area. The water system improvement portion of the pasture expansion project qualifies for the EQIP program and the tenant has been approved by NRCS to participate in this program.

Infrastructure Improvements

The infrastructure required for the 125-acre south pasture expansion consists of the following fencing and water system improvements (Attachment 2):

• *Water:* The availability of clean and reliable water is essential to the conservation grazing program. Having well distributed water sources helps disperse the influence of livestock on the landscape and reduces impacts on natural waterways. No natural water sources are present within the pasture expansion area to support grazing livestock. However, a clean and reliable water source has been developed on the Mindego Ranch that uses a natural spring with a solar powered pump to supply water to a storage tank and water troughs in pastures adjacent to the proposed expansion area (R-14-021). This existing water system will be modified to supply water to the expansion area.

Three new wildlife-friendly concrete water troughs will be installed to supply water to livestock in the south pasture area. Two of the new troughs will be located within the south pasture at sites that are minimally visible from the Mindego Hill Trail to reduce aesthetic impacts. The third trough will be installed in the holding field/corral area above the pasture. A new 5,000-gallon low-profile tank (partially buried in the ground) will be installed in the corral area to supply the water troughs in the corral and south pasture areas. Installation of approximately 5,000 feet of pipe is required to supply water to the new troughs and tank.

The total cost of the water system improvements is estimated at \$64,500. The water improvements would be eligible for approximately \$34,500 in NRCS cost sharing funds through the EQIP program, leaving a balance of \$30,000 that the District will pay. A stipulation for receiving funding through the NRCS EQIP program for the water system improvements is that the tenant, Ronnie Seever, must perform the work.

• *Perimeter fencing*: Approximately 5,000 linear feet of new fencing is needed along the eastern and southern pasture boundary. Fencing will be installed parallel to the Mindego Hill Trail to the east and along the border of the former Silva Property to the south. The

fence will be wildlife friendly per District standards. Short sections of fence may be required along the western boundary of the pasture to reinforce the natural barrier of dense vegetation and steep terrain, which will act to contain livestock. Boundary fencing is not eligible for NRCS (EQIP program) cost sharing.

• Justification for cost efficiency of using grazing tenant: Board Policy recognizes the District's ability to enter into contracts without obtaining the required competitive bids under certain specified circumstances, if they meet the requirements under the "Limited Availability/Sole Source" exception. (Board Policy section IV.B.) which provides:

"Occasionally, necessary supplies, materials, equipment, or services are of a unique type, are of a proprietary nature, or are otherwise of such a required and specific design or construction, or are for purposes of maintaining consistency and operational efficiency, so as to be available from only one source. After reasonable efforts to find alternative suppliers, the District may dispense with the requirement of competitive bids and recommend negotiating and making the purchase from the sole source. The basis for the sole source recommendation shall be documented in writing and approved, in advance, by the Board for purchases exceeding \$50,000, and the General Manager or other authorized District employee, for purchases not exceeding \$50,000."

In the case of grazing tenant contracts for work on leased premises, it is often in the best interests of the District and the taxpayers to enter into a sole source arrangement with the tenant. Doing so maintains consistency with the tenant's grazing operations on the leased premises and provides operational efficiency by having the tenant who knows the most about the land and the operational needs of the grazing program and is most present and available on the site. The Board has employed this approach previously by approving grazing leases with provisions for compensating the tenants (by rent offset and/or contract) for certain work on the leased premises.

The General Manager recommends waiving the competitive bid process and entering into a contract with the grazing tenant. A competitive bidding process would not confer a cost benefit to the District.

- 1. The District recently solicited fencing prices in a competitive bidding process and the lowest response bid price per linear foot was \$15.80. Grazing tenant Seever's quote for building the Mindego Ranch south pasture fence is \$15.00 per linear foot.
- 2. The grazing tenant is in a position to perform the work most efficiently because performing work on the leased premises allows the tenant to meet the routine operational needs of the grazing program, and the tenant is available on the site and is most familiar with the premises.

FISCAL IMPACT

The FY21 adopted budget includes \$107,000 for the MAA09-006 - Mindego Ranch South Pasture project. The COVID pandemic has impacted all facets of life including the availability and costs of construction materials. Prices for some materials needed for this project have nearly doubled in this past year. A budget amendment for an additional \$50,000 for this project will be requested at the May 12, 2021 board meeting. If the amendment is approved, there will be sufficient funds in the project budget to cover the recommended action and expenditures.

MAA09-006 - Mindego Ranch South Pasture	Prior Year Actuals	FY21 Projected	Estimated Future Years	TOTAL
Adopted Budget:	\$0	\$107,000	\$0	\$107,000
Projected Budget Adjustment:	\$0	\$50,000	\$0	\$50,000
Total Budget:	\$0	\$157,000	\$0	\$157,000
Spent-to-Date (as of 04/19/21):	\$0	\$0	\$0	\$0
Encumbrances:	\$0	\$0	\$0	\$0
Ronald Seever Contracts:	\$0	(\$106,800)	\$0	(\$106,800)
Ronald Seever Contract Contingency:	\$0	(\$7,680)	\$0	(\$7,680)
Budget Remaining (Proposed):	\$0	\$42,520	\$42,520	\$42,520

The following table outlines the Measure AA Portfolio 09 - Russian Ridge: Public Recreation, Grazing & Wildlife Protection allocation, costs-to-date, projected future project expenditures and projected portfolio balance remaining.

MAA09 - Russian Ridge: Public Recreation, Grazing & Wildlife Protection Portfolio Allocation:	\$5,560,000
Grant Income (through FY23):	\$170,000
Total Portfolio Allocation:	\$5,730,000
Life-to-Date Spent (as of 04/19/21):	(689,925)
Encumbrances:	(\$6,898)
Remaining FY21 Project Budgets:	(165,843)
Future MAA09 project costs (projected through FY23):	\$0
Total Portfolio Expenditures:	(\$862,666)
Portfolio Balance Remaining (Proposed):	\$4,867,334

The following table outlines the Measure AA Portfolio 09 - Russian Ridge: Public Recreation, Grazing & Wildlife Protection allocation, projected life of project expenditures and projected portfolio balance remaining.

MAA09 - Russian Ridge: Public Recreation, Grazing & Wildlife Protection Portfolio Allocation:	\$5,560,000
Grant Income (through FY23):	\$170,000
Total Portfolio Allocation:	\$5,730,000
Projected Project Expenditures (life of project):	
MAA09-001 - Russian Ridge Grazing Infrastructure	(174,416)
MAA09-003 - Russian Ridge Mindego Pond Improvement	(463,847)
MAA09-004 - Mindego Hill Trail Construction	(67,403)
MAA09-006 - Mindego Ranch South Pasture	(157,000)
Total Portfolio Expenditures:	(\$862,666)
Portfolio Balance Remaining (Proposed):	\$4,867,334

BOARD AND COMMITTEE REVIEW

• The full Board approved the amendment to the Use and Management Plan to re-introduce grazing to this property in 2014 (R-14-21).

• The selection of the grazing tenant and approval of lease was reviewed and approved by the full Board in 2015 (R-15-114).

• The Board most recently reviewed and approved the expansion of the grazing area on this property in January 2020 (R-20-10, minutes).

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

The Project was evaluated in a Mitigated Negative Declaration and Initial Study (IS/MND), adopted by the Board on January 22, 2014 (R-14-21), available at: https://www.openspace.org/sites/default/files/2013.11.25.MindegoRanchISMND.pdf.

An Addendum to the IS/MND was adopted January 22, 2020 (R-20-10). The Addendum addressed the infrastructure improvements included in this proposed contract and found they did not alter any of the conclusions of the 2014 IS/MND. No significant environmental effects or a substantial increase in the severity of previously identified significant effects will result.

NEXT STEPS

The General Manager will prepare contracts with Ronnie Seeker to construct the infrastructure to allow expansion of conservation grazing in the south pasture area. Construction is expected to be complete by June 30, 2021.

Attachments

- 1. Location map
- 2. Map of proposed infrastructure

Responsible Department Head:

Brandon Stewart, Manager, Land & Facilities Services

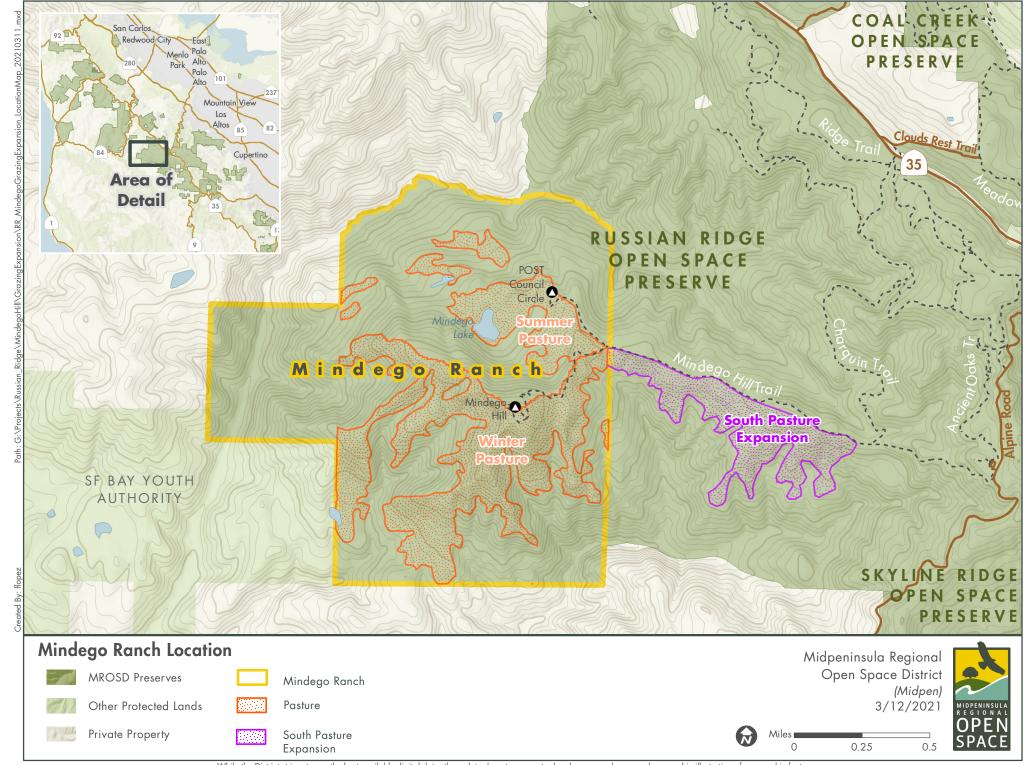
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ATTACHMENT 1



ATTACHMENT 2

