



Midpeninsula Regional
Open Space District

R-21-98
Meeting 21-20
July 14, 2021

AGENDA ITEM 5

AGENDA ITEM

Bear Creek Stables Operational Requirements, Concessionaire Selection Criteria, and Agreement Terms

GENERAL MANAGER'S RECOMMENDATIONS *den*

1. Receive a presentation on the Bear Creek Stables Process for Selecting a Long-Term Stables Concessionaire.
2. Provide Input on the Proposed Bear Creek Stables Operational Requirements and Concessionaire Selection Criteria.
3. Review and Approve the Proposed Concessionaire Agreement Terms.

SUMMARY

Staff is preparing a Request for Proposals (RFP) to select a concessionaire to operate the Bear Creek Stables. Given the high level of public and Board of Directors (Board) interest, staff have prepared a set of proposed Bear Creek Stables Operational Requirements (Operational Requirements) (Attachment 1) and Concessionaire Selection Criteria (Criteria) (Attachment 2) for Board review and input prior to issuing the RFP. The Operational Requirements are based on the Board-approved draft stables management guidelines (Attachment 3) from the Bear Creek Preserve Plan. The Operational Requirements establish operational, communication and programming standards for boarding, riding instruction, day camps, and other public equestrian programs. The Criteria will be used to evaluate submitted proposals.

The General Manager also requests Board review and approval on the proposed terms of a concessionaire agreement to operate the stables. The General Manager is proposing an initial 2-year term with options to extend for two additional 5-years terms with a fee structure of 5% of gross receipts payment to the District and 5% of gross receipts payment to a maintenance and improvement fund.

DISCUSSION

Background

In 1999, the District acquired a 260-acre property as an addition to Bear Creek Redwoods Open Space Preserve (BCR Preserve) in unincorporated Santa Clara County. This acquisition included Bear Creek Stables (Stables). Equestrian use was first established at the site by Dr. Harry L. Tevis in 1916 to accommodate his Tennessee walking horses on his extensive estate. The current site has been in continuous operation since at least the 1940s as a boarding and training facility

for 72 horses. Due to changes in the County's Zoning Ordinance, the site is not zoned for equestrian stables, however, the site has continued to operate under a legal non-conforming use designation since 1975. Under this designation, the Stables is allowed to board up to 72 horses, however expansion or intensification of use is not allowed.

In 2017, the Board approved the Bear Creek Redwoods Preserve Plan (Preserve Plan) (R-17-15). The Preserve Plan designates the Stables for continued equestrian use and identified numerous actions for the Stables, including infrastructure repairs, hillside erosion control and revegetation, and public access enhancements. The release of a RFP was delayed while plans and permitting issues were addressed. Due to substantial permitting challenges associated with the County's Zoning Ordinance for non-conforming uses, the Board recently affirmed a new permitting approach in June 2021(R-21-74) to implement the critical repairs through obtaining a Use Permit. Work is now underway to prepare and submit the Use Permit application to the County.

Stable Operators

In December 1999, the Board approved a month to month Stables lease with Glenda and Paul Smith, the operators at the time of District acquisition(R-99-159). In 2015, when Glenda Smith decided to relocate to Washington State, District staff met with Ms. Smith to discuss interim management options. She requested assigning the Stables lease to Pamela Ashford on an interim basis to maintain status quo while the Bear Creek Stables Site Plan (Plan) and a RFP were completed. The Board approved and assigned the Stables lease to Pamela Ashford in October 2015 (R-15-146). Pamela Ashford continues to operate the site on a month to month lease. The District is now pursuing a new multi-year agreement and a competitive search for a Stables operator, the subject of this Agenda Item, that achieves the District's long-term goals for the site. The agreement will support the District in keeping the horse stables operational and provide a more defined framework for ongoing horse boarding, effective communications between the operator, District and public, and the continuation of public programs.

Proposed Operational Requirements

In order to support a successful, full-service equestrian facility for the public that continues to offer horse boarding, group and individual instruction, and youth programming, updated operational standards are required. Staff has reviewed the existing draft stables management guidelines in the preserve plan, documents from other public stables operations, solicited feedback from partners and stakeholders, and applied lessons learned from the current operation to develop a new standard of operations. The proposed Operational Requirements define District goals for a future concessionaire agreement to ensure best management practices are implemented (Attachment 1). Current practices have been updated and expanded, and new best management practices have been developed to incorporate the following goals:

- Establishing an economically sustainable operation;
- Improving communication with existing boarders;
- Maintaining existing, and if permitted expanding, program offerings; and
- Providing opportunities to engage and welcome diverse and underserved communities.

Proposed Evaluation Criteria

Staff has reviewed best management practices within the District and from other stable operations, such those found on East Bay Regional Parks District lands, to develop a rating scale for evaluating prospective concessionaire proposals (Attachment 2). The proposed evaluation criteria define key requirements and considerations in the RFP and provide relative weights for

evaluating proposals. The goal is to create a fair balanced approach to scoring and to confirm that key elements for success are included in the Criteria. The proposed rating Criteria include:

- Implementation Approach - a clear stables management structure and operational approach
- Implementation Expertise - experience in running and improving stables
- Quality of Proposal - demonstrating an understanding of the project and consistency with the operational requirements
- Revenue/Fee Structure - revenue projections meet operational needs, fee structure is fair and reasonable, submittal of financial records
- Quality of Service - for public programs: demonstrating capability to provide quality services through management history and referrals; experience working with diverse and underserved communities
- Financial Capability - demonstrating financial resources to cover startup costs and sustain losses while continuing to provide services and make payments

The Selection Process would include the following steps:

- Issuance of a RFP to select a stables concessionaire
- A mandatory site walk to view the existing Bear Creek Stables conditions
- Review of all proposals for completeness and quality by a staff committee using Board-approved Criteria
- Interviews of top-ranking proposers
- Reference checks
- A site visit to a stable managed/operated/worked at by the finalists
- Final recommended selection submitted to the Board for review and approval

Concessionaire Agreement

The General Manager recommends a two-year agreement with an option to extend for two five-year periods. This will give a reasonable amount of time for District staff to evaluate performance before entering into a longer multi-year agreement while also providing the operator more stability than the current month to month lease.

The General Manager proposes a fee structure of 5% of gross receipts payment to the District with an additional 5% of gross receipts to be placed in a maintenance fund for the operator to use with District approval. This structure is comparable to other public agency arrangements and supplements District funding for maintenance, repairs, and improvements proposed for the Stables. Alternate fee structures that compensate the District at greater than 5% may be proposed by the prospective operators, but selection of the operator will be based on the overall Criteria. As a comparison, the current fee structure is a simple flat rate of \$2,150 per month. The cost to the concessionaire for each boarded horse will be based on the percentage of gross revenue generated from public horse boarder fees. In addition, the first 10 horses boarded that are owned by the concessionaire to run public programs will be at no charge, but additional horses beyond the first 10 boarded by the concessionaire shall be charged 50% of the average fee that is charged to public horse boarders. That fee will be contributed to the maintenance fund. A maximum of 20 horses boarded at the stables may be owned or leased by the concessionaire.

Maintenance and upkeep of the Stables will remain the responsibility of the concessionaire, and a dedicated maintenance fund will ensure funding is available to repair and maintain the site and buildings. Maintenance funding would be used for repair and maintenance activities only; it may

not be used to fund the caretaker's salary or for general upkeep such as cleaning and feeding. 10% of the maintenance fund would be set aside for capital repairs and improvements.

The table below compares various stable operation rates and structures for stable operations on public lands.

Stable Operation Comparable Rate Structure					
Operation	Rate	Maintenance Fund	Capital funding	Security Bond	# of Horses Boarded
District Stables					
Bear Creek Stables, Proposed	5% of gross receipts (GR)	5% GR	10% of maintenance fund	up to \$10,000	72
Bear Creek Stables, Current	\$2,150/ month	\$0	\$0	\$0	72
Madonna Creek Stables	\$5,630/annual	\$0	\$0	\$0	12
Local Public Stable Operators					
EBRPD ¹ - Anthony Chabot Equestrian Center	5% GR	5% GR	10% of maintenance fund	up to \$10,000	65
EBRPD ¹ - Las Trampas Stables	5% GR	5% GR	10% of maintenance fund	up to \$10,000	56
SMC Parks ¹ – Folger Stables Wunderlich Park	4% GR + Annual fees/ utility share \$3,600	SMC ¹ Parks does maintenance for property	N/A	N/A	30
GGNRA ¹ Tennessee Valley Miwok Stables	\$26,500/ annual ²	5% GR	N/A	N/A	42

1. East Bay Regional Parks District (EBRPD), San Mateo County Parks Department (SMC Parks), Golden Gate National Recreation Area (GGNRA)

2. Estimated 2014 annual lease rate \$22,080 with annual CPI increase in 2nd year and subsequent years for 10 year term

FISCAL IMPACT

Review of the Bear Creek Stable Request for Proposal has no immediate fiscal impact. Current rent for Bear Creek Stable is \$2,150 per month or \$25,800 annually. The new fee structure would negotiate a percentage of gross sales and revenue. An additional negotiated percentage of gross sales and revenues would be placed in a separate District managed Bear Creek Stable Maintenance and Repair Fund. Based on the 2020 Gross Receipts and the proposed 5% + 5% fee structure, the stables rent would have been \$21,750 with an additional \$21,750 placed into a maintenance account to be used for stable upkeep for a total of \$43,500.

BOARD AND COMMITTEE REVIEW

Bear Creek Redwood Preserve Stable, lease information was presented to the Board or Public during the following meetings.

- **December 1999:** The Board approved a month to month Stables lease with Glenda and Paul Smith (R-99-159)
- **October 2015:** Board approved and assigned a month to month Stables lease to Pamela Ashford. (R-15-146)
- **June 2017:** The Board approved the Bear Creek Preserve Plan which established the Stables Management Guidelines. (R-17-15, meeting minutes)
- **June 2021:** The Board affirmed the Use Permit permitting approach for the Bear Creek Stables Project. (R-21-74, meeting minutes)

PUBLIC NOTICE

Public notice was provided as required by the Brown Act. In addition, Bear Creek Stables interested parties were notified of this public meeting.

CEQA COMPLIANCE

Releasing a Request for Proposals is not a project subject to the California Environmental Quality Act. However, the operation of the Stables as contemplated herein was evaluated in the Bear Creek Redwoods Preserve Plan EIR.

NEXT STEPS

Staff will issue a RFP in August 2021 which will include the proposed Guidelines and Criteria as modified based on input from the Board. Interested parties will be provided with a mandatory onsite tour late of the facilities in August 2021. Proposals will be reviewed in accordance to the Board-approved Criteria in October 2021. The General Manager will bring the recommended award of the concessionaire agreement back to the Board in November 2021. If the agreement terms are approved by the Board, the selected proposer will be offered a two-year agreement with the option to renew for two additional five-year periods.

Attachments:

1. Bear Creek Stables Operational Requirements for RFP
2. Evaluation Criteria for Bear Creek Stables Concessionaire Proposals
3. Bear Creek Preserve Plan draft stables management guidelines

Responsible Department Head:
Brandon Stewart, Land and Facilities Manager

Prepared by/ Staff Contact:
Omar Smith, Senior Property Management Specialist, Land and Facilities

BEAR CREEK STABLES OPERATIONAL REQUIREMENTS

The Midpeninsula Regional Open Space District's (District) Operational Requirements for the Bear Creek Stables (Stables) facility are as follows:

- 1. Provide opportunities for the public to board their horses.**
 - a. Maintain an updated list of current boarders and boarder waiting list that is provided twice per year to the District. Boarder selection will be first come first served.
 - b. Require annual visual inspections and reporting of facilities and horses by a qualified animal husbandry practitioner to ensure safety and health of horses. Submit copies of annual reports to the District.
 - c. Provide onsite caretaker and emergency contact 24 hours a day, 7 days a week.
 - d. Limit the number of concessionaire program horses to 20.
 - i. The first 10 horses are allowed at no cost to Concessionaire.
 - ii. The optional 10 additional horses will be allowed at a rate that is half that of the boarder rate with the resulting revenue transferred to a Maintenance Fund.
- 2. Provide equestrian programs (camps and lessons) that are open to the public.**
 - a. Post for broad public viewing the dates, fees, and times of camps and lessons being conducted at the stables.
 - b. Develop stable conduct rules and regulations, including regulations related to camps, lesson attendees, and boarders, and post regulations related to District Preserve use.
- 3. Ensure the operator(s) and employee(s) conduct themselves in a professional manner.**
 - a. Ensure all employees will be trained and competent for their assigned tasks.
 - b. Ensure verbal and written communications are polite and courteous.
 - c. Provide timely responses to inquiries.
 - d. Establish and hold interactive boarder communication and stable meetings to address boarder concerns and provide information.
 - e. Maintain regular communications with boarders to transmit new information and keep a file of communication activities.
- 4. Provide opportunities for diverse and underserved community residents to experience equestrian activities.**
 - a. Provide a process to allow underserved community residents to attend camps or take lessons at a discounted rate.

- b. Provide a broad range of community outreach opportunities to increase and diversify “Stable Open House Days” attendance.
 - c. Provide a community calendar and newsletter to inform the public of upcoming events and raise awareness with underserved communities.
- 5. Comply with applicable Santa Clara County zoning ordinance and permit limitations.**
- 6. Partner with the District to create a public access plan approved by the District.**
- a. Identify areas of the stables that are open to the public through walk in access.
 - b. Identify public equestrian parking and access to the preserve trail system.
 - c. Identify areas with restricted access.
- 7. Maintain stable operation in an environmentally sensitive manner.**
- a. Comply with District and County Resource Management Policies.
 - i. Comply with the Integrated Pest Management Program for pest management, vegetation management, and pesticide use on property.
 - ii. Work with District’s Natural Resource department on Bio Monitoring requirements related to maintenance and brushing in lease area.
 - b. Comply with County of Santa Clara’s Manure Management and Water Quality regulations.
 - i. Clean paddocks daily.
 - ii. Manage manure to limit exposure to elements and prevent potential contamination to drainage or creek.
 - iii. Conduct responsible disposal of manure off property.
 - c. Establish and provide recycling program for refuse generated on property.
 - d. Ensure compliance with District *Ordinance for Use of the Midpeninsula Regional Open Space District Lands* unless activity is expressly allowed in the agreement.
 - e. Evaluate operations to reduce greenhouse gas emissions, in accordance with the Climate Change Policy and Climate Action Plan.
 - i. Reduce transportation and equipment emissions e.g. by installing EV chargers and using electric maintenance equipment when feasible
 - ii. Evaluate and implement measures to reduce emissions from manure and soiled hay
 - iii. Increase visitor awareness and action on climate change
- 8. Maintain an economically viable operation with revenues sufficient to cover operating expenses and maintenance cost.**
- a. Recommend annual rate adjustments (reviewed by District) to cover profit, feed, maintenance, and repair costs.
 - b. Provide an annual maintenance work plan and schedule.




- c. Ensure appropriate insurance coverage related to stable operations and programs.
- d. Ensure future maintenance repairs are funded through an established maintenance fund.

9. Maintain the facilities and lands of the Bear Creek Stables property.

- a. Maintain prescribed defensible space around the stables facility in accordance with District direction, including a minimum of 100 feet around structures.
- b. Conduct monthly inspections of property to identify and address potential and actual risks for the public and boarders.
- c. Maintain driveways, pathways, structures, facilities, paddocks, and riding rings to ensure safety and use of the facility.
- d. Maintain and post emergency plans for medical emergencies and evacuation and shelter-in-place for fires or major disasters. Hold trainings for staff and boarders. Maintain phone tree notification system.
- e. Maintain safe operation of facility.
 - i. Conduct proper storage and use of hazardous materials, including chemicals, fuel, and paint including storage in hazardous materials container.
 - ii. Maintain SDS binder of products in use at stable.
 - iii. Limit vehicles on site to those required for site maintenance and operation; prohibit vehicle storage.
 - iv. Limit trailer storage to accommodate emergency use and limited storage.
 - 1. Concessionaire will be allowed two horse trailers: one (1) large trailer for 4-8 horses and one (1) smaller trailer for 1-2 horses.
 - 2. Additional trailer storage will be based upon future site improvements.

**EVALUATION CRITERIA FOR
BEAR CREEK STABLES CONSESSIONAIRE PROPOSALS**

<p>Completeness of Response: Responses to this Request for Proposals must be complete. Responses that do not include the proposal content requirements identified within this RFP and subsequent Addenda and do not address each of the items listed below will be considered incomplete, be rated a Fail in the Evaluation Criteria and will receive no further consideration.</p>		
RFP Requirements		
<ul style="list-style-type: none"> • Cover Letter or Executive Summary (one page) • Approach to Work (two pages) • Four Project Examples (one page per project) • Project Team and Composition (one page) • Resumes (two pages per team member; up to three team members) • Rate Sheet (one page) • Statement accepting insurance and indemnification 	<p>REQUIRED FOR CONSIDERATION</p>	<p>Pass/Fail</p>

ITEM	CONSIDERATION	WEIGHT ¹
Implementation Approach	<ul style="list-style-type: none"> • Organization, structure, and responsibilities of the project team • Proposed approach • Proposed strategies to reduce time and costs 	
Implementation Expertise	<ul style="list-style-type: none"> • Demonstration of experience with the types of equipment, services, small capital improvement projects required to run the operation along with maintenance of the site. • Years in business, amount of relevant experience (breadth and length). • Evidence of a variety of experiences, including public operation, in operating a stable and managing/working with contractors on stables improvements. 	
Quality of Proposal	<ul style="list-style-type: none"> • Consistency with the operational requirements • Demonstrating an understanding of the project • Fulfilling proposal requirements as described in this RFP 	

¹ Number of stars indicate relative comparable weight for each criterion.

ITEM	CONSIDERATION	WEIGHT
Revenue/Fee Structure	<ul style="list-style-type: none"> • Projection of Revenue. • Fee structure and services provided to boarders. • Lesson and camp fee structures. • Evidence of ability to make the payments and submit financial operation records. 	★
Quality of Service for Public	<ul style="list-style-type: none"> • Demonstration and referrals of successful history, quality of service, and knowledge of personnel, management, operation, of stable boarding facility. • Demonstration of working with diverse and underserved communities 	★★★
Financial Capability to Provide Service and Make Payments to District	<ul style="list-style-type: none"> • Capability to provide services throughout the term with adequate financial resources to cover start-up costs and sustain possible losses. • Sources of financing and availability of immediate funds and backup funds. • Must provide details of financial resources and stability. 	★★

¹ Number of stars indicate relative comparable weight for each criterion.

Bear Creek Stables Preserve Plan: Stables Management Guidelines (page 03-47)

v. KEY AREA 1: Recommendations and Guidelines for Bear Creek Stables

3. Stables Management Guidelines

The following draft management guidelines will accompany a long-term lease for the stables to ensure a safe and healthy environment is provided for horses as well as a safe environment for equestrians and the general public visiting the site:

- Maintain a horse capacity as close as possible to, but not exceeding, the 72 maximum allowed by the Santa Clara County Use Permit.
- Implement a manure management program that requires:
 - Paddocks be cleaned a minimum of once daily.
 - Storage of manure must in enclosures that will be covered during rain before off hauling, with drainage flowing into vegetated filter strips.
- Develop, with District approval, rules and regulations for maintaining a safe environment for visitors, riders and horses. Post the rules and regulations in prominent locations throughout the facility.
- Develop, with District approval, rules and regulations for parking and/or storage of horse trailers and other mobile equipment related to the horse boarding operation.
- Require quarterly visual inspections and reporting of facilities and horses by a qualified animal husbandry practitioner to ensure safety and health of horses.
- Establish emergency plans, including Emergency Animal Evacuation and Protection Plan, providing the District and boarders with an emergency land line phone, and provision of basic medical first-aid provisions for humans and horses.
- Establish operating hours to be during daylight hours until adequate outdoor lighting is provided in riding arenas. In accordance to District ordinance, trail system will remain closed to users between dusk and dawn.
- Provide a qualified on-site caretaker, subject to background checks and approval of the District.
- Provide monthly reporting of activities, such as horse population, maintenance activities, incident occurrence, complaints, public access/education activities, etc.
- Provide a public access plan, subject to District approval, outlining intent and planned methods of engaging the public in boarding, tours, education, clinics and other methods of public engagement.