



Midpeninsula Regional  
Open Space District

R-22-35  
Meeting No. 22-08  
March 9, 2022

## AGENDA ITEM 5

### AGENDA ITEM

Grazing Tenant Selection and Lease for Big Dipper Ranch in Skyline Ridge Open Space Preserve

### GENERAL MANAGER'S RECOMMENDATION

A handwritten signature in black ink, appearing to read "Jen".

Adopt a Resolution authorizing the General Manager to: (1) execute a conservation grazing lease with RC Bar Ranch, LLC., for the Big Dipper Ranch Grazing Unit in Skyline Ridge Open Space Preserve and (2) extend the lease for an additional five-year term if the tenant remains in good standing.

### SUMMARY

Midpeninsula Regional Open Space District (District) staff released a Request for Proposals (RFP) on October 5, 2021, to solicit proposals from qualified livestock operators to graze the Big Dipper Ranch located in Skyline Ridge Open Space Preserve. After completing a thorough review and evaluation of the proposals, and consideration of the District's policies and goals regarding agricultural operations in the coastal area, the General Manager recommends awarding the lease to RC Bar Ranch, LLC., as the most qualified applicant for the conservation grazing lease. The General Manager is seeking Board authorization to execute a 5-year grazing lease with RC Bar Ranch, LLC., and authority to approve an additional 5-year term extension if the tenant remains in good standing.

### DISCUSSION

#### *Big Dipper Ranch Property*

The 955-acre Big Dipper Ranch grazing unit contains about 240 acres of grassland areas suitable for livestock grazing. Sage Associates completed the Grazing Management Plan for the property in 2007 and it was subsequently approved by the Board on October 24, 2007 (R-07-107) along with an amendment to the Use and Management Plan allowing for conservation grazing and authorizing staff to solicit conservation grazing proposals from livestock operators. The Board approved a grazing lease with a rancher on December 12, 2007 (R-07-135), which expired in February 2018. In March of 2018, the Board approved a new, five-year lease with the existing tenant. Prior to signing the lease agreement, the General Manager modified the Board approved 5-year grazing lease to a 2-year grazing lease given concerns about wildlife-livestock conflicts and sufficient water availability. The two-year lease expired on October 11, 2020. Staff spent the next year improving the water system and the Board amended **the District's** conservation grazing policy to address wildlife-livestock conflicts more effectively and in a manner that

remains protective of local wildlife while reducing financial impacts to grazing operators from livestock predation.

On October 5, 2021, staff issued a new RFP seeking once again prospective conservation grazing livestock operators for the property. Under the new proposed lease, the property would be managed according to the Grazing Management Plan prescriptions provided in the 2007 Sage Associates report with a stocking rate of 144 Animal Unit Months annually in a normal rainfall year (equivalent to 58, 500-pound yearling heifers or steers, or 29 adult cows, for a five-month grazing season). Stocking rates would be adjusted based on grass production, which is dependent on rainfall. Big Dipper Ranch lies outside the District's Coastal Service Plan boundaries. The RFP clarified that the prospective tenant would need to make improvements to springs if they desired to enhance the water sources and noted that the area has previously experienced livestock predation.

### ***Selection Process for a New Conservation Grazing Lease Tenant***

The District's Grazing Management Policy establishes the following goal:

*“Where appropriate manage District land with livestock conservation 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.”*

With this goal in mind, staff posted the RFP on October 5, 2021, on the District website and Periscope. In addition, staff informed District grazing tenants and agricultural partners, the San Mateo County Resource Conservation District (RCD), Natural Resources Conservation Services (NRCS), San Mateo County Farm Bureau, Peninsula Open Space Trust (POST), UC Extension – Agriculture and Natural Resources, and Central Coast Rangeland Coalition (CCRC) of the RFP. People who requested notification for similar leases were also notified and ads were placed in local publications. A mandatory site visit was attended by five interested individuals. To ensure a qualified applicant pool, the original deadline of November 10, 2021, was extended to January 31, 2022, and a second site visit was added. Three proposals were received by the deadline date.

The proposals were reviewed by a panel, which included an external panelist from POST and staff from the District's Natural Resources and Land & Facilities Departments. The panel conducted interviews with the applicants to evaluate their understanding and willingness to conduct their grazing activities in a manner that will enhance natural resources, promote maintenance and improvements to the property, work with the District to achieve recreational and resource management goals. The selection process used a scoring system that assigned value to the goals outlined in the RFP, including applicants' experience, capacity, history, and knowledge, with an emphasis on natural resource management issues and infrastructure improvements as well as addressing overall District goals of climate sustainability and diversity and equity. RC Bar Ranch, LLC., was identified as the most qualified applicant whose proposal best meets the goals described in the RFP.

RC Bar Ranch, LLC., has demonstrated significant skills and experience managing similarly sized grazing leases. They have worked with multiple regulatory agencies on the management of

grazing lands where they have completed infrastructure projects like those that may be needed at the Big Dipper Ranch. They have also worked with private partners to manage cattle grazing on lands with sensitive species and habitats. Some of the property they lease is steep and remote, like site conditions found at Big Dipper Ranch. RC Bar Ranch, LLC., is a current tenant on a Santa Clara Valley Open Space Authority property that is home to the endangered bay checkerspot butterfly. They have demonstrated a keen understanding of how conservation grazing supports this endangered species. Additionally, they show an exceptional interest in supporting wildlife overall on the properties they lease.

The initial term of the lease is five years with one option for a five-year extension. The General Manager evaluates the totality of the tenant's grazing operation to decide whether a tenant is in good standing to consider approving an extension term. Factors used in evaluating grazing tenant performance include paying the rent on time, compliance with lease terms and the rangeland management plan, maintaining and making infrastructure improvements on schedule, adherence to stocking capacity limits, proper animal husbandry, meeting grazing residual dry matter targets (e.g., does not under or over graze pastures), and working cooperatively with District staff to meet conservation grazing goals.

## 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 market rate to determine the total lease fee for the year. The FY2021-22 AUM rate utilized by the District is \$10.89 per AUM.

The estimated initial annual lease rate for Big Dipper Ranch is as follows:

Ranch	AUM	AUM Rate (2022)	Annual Lease Fee
Big Dipper	144	\$ 10.89	\$ 1,568.16

This lease fee may not be fully realized in FY22. By the time the lease is in place and the new tenant can get his cattle onsite, there will be only a short time remaining in the February through June grazing season and the grazing rate may be reduced due to forage production.

## BOARD AND COMMITTEE REVIEW

- **October 2007:** Regular Board Meeting - Use and Management Plan amended to allow for conservation grazing and adoption of the Grazing Management Plan. (R-07-107)
- **December 2007:** The Board approved entering a lease with the prior tenant. (R-07-135)
- **March 2018:** The Board approved entering a lease with the prior tenant. ([R-18-26, meeting minutes](#))

## PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

## **CEQA COMPLIANCE**

In October 2007 the Board adopted the Grazing Management Plan (Report R-07-107) and determined it to be categorically exempt from the California Environmental Quality Act (CEQA). The lease, which includes implementation actions from the GMP, is therefore exempt from CEQA.

## **NEXT STEPS**

Upon Board approval the General Manager will execute a conservation grazing lease with RC Bar Ranch, LLC.

### **Attachments:**

1. Resolution Approving the Award of a Grazing Lease for the Big Dipper Grazing Unit
2. Big Dipper Location Map

### **Responsible Department Head:**

Brandon Stewart, Land & Facilities Services Manager

### **Prepared by:**

Susan Weidemann, Property Management Specialist II

**RESOLUTION 22-\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT APPROVING THE AWARD OF A GRAZING LEASE TO RC BAR RANCH, LLC., (BIG DIPPER GRAZING UNIT, SKYLINE RIDGE OPEN SPACE PRESERVE)**

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**WHEREAS**, the Midpeninsula Regional Open Space District (District) may, under the provisions of California Public Resources Code section 5540, lease property owned by the District; and

**WHEREAS**, the lease of the Big Dipper Grazing Unit for grazing and rangeland management purposes is compatible with park and open space purposes, and the lease of such premises is in the public interest; and

**WHEREAS**, the District wishes to lease the Big Dipper Grazing Unit to RC Bar Ranch, LLC., on the terms hereinafter set forth.

**NOW, THEREFORE**, the Board of Directors of Midpeninsula Regional Open Space District does hereby resolve as follows:

1. The General Manager is authorized to execute the Grazing Lease on behalf of the District. The General Manager, with the concurrence of the General Counsel, is authorized to make minor changes to the Grazing Lease that do not materially amend the terms and conditions thereof.
2. The General Manager is authorized to grant an extension of the Grazing Lease on the terms and conditions set forth in the Grazing Lease. The General Manager shall report any such extension of the Grazing Lease to the Board of Directors at the Board meeting immediately following the granting of the extension. The General Manager or designee is further authorized to sign and approve all other documents necessary or appropriate to entering into the Grazing Lease.

\* \* \* \* \*

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on \_\_\_\_\_, 2022, at a regular meeting thereof, by the following vote:

**AYES:**  
**NOES:**  
**ABSTAIN:**  
**ABSENT:**

**ATTEST:**

**APPROVED:**

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Karen Holman, Secretary

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Zoe Kersteen-Tucker, President

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Board of Directors

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Board of Directors

**APPROVED AS TO FORM:**

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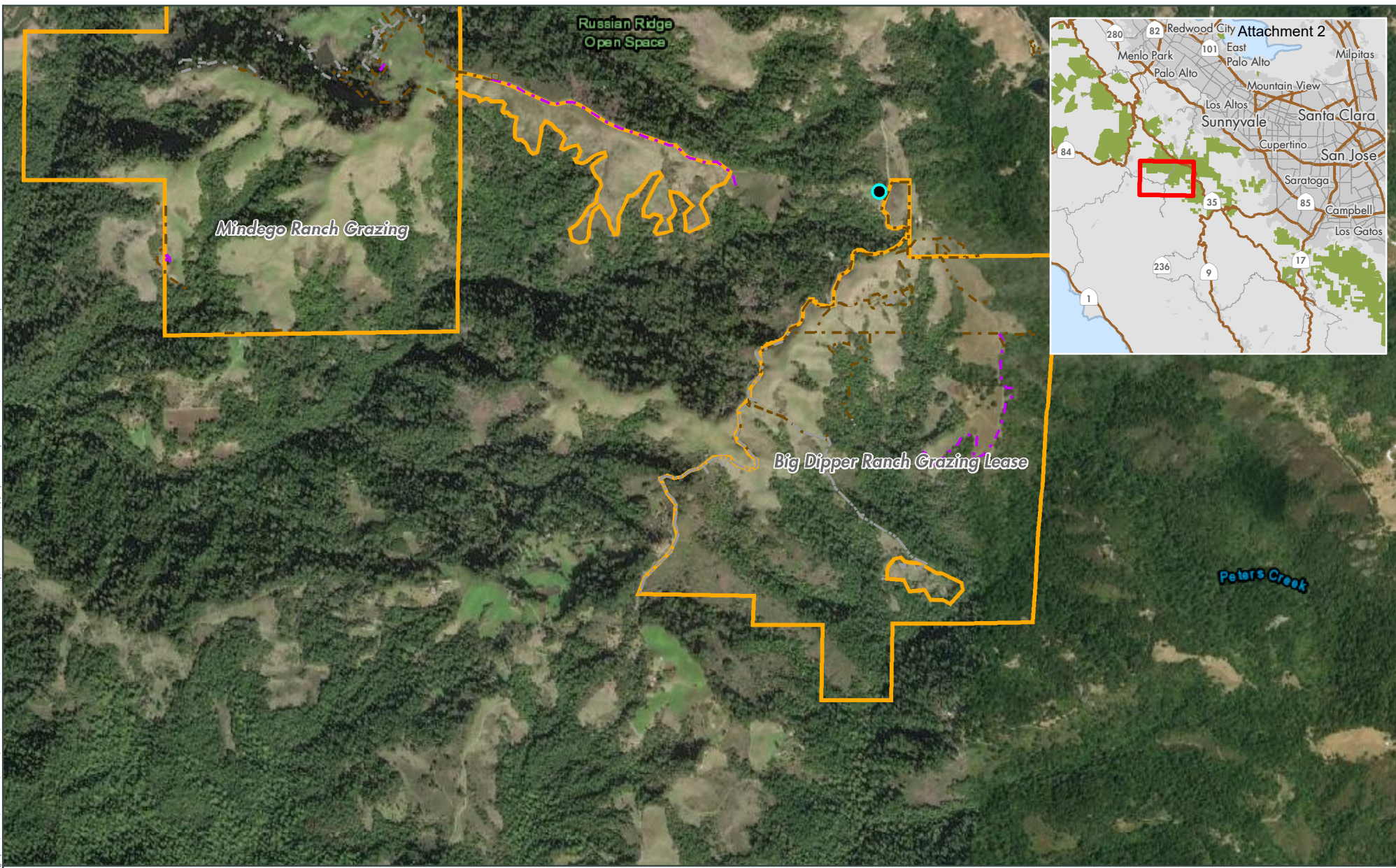
Hilary Stevenson, General Counsel

I, the District Clerk of the Midpeninsula Regional Open Space District, hereby certify that the above is a true and correct copy of a resolution duly adopted by the Board of Directors of the Midpeninsula Regional Open Space District by the above vote at a meeting thereof duly held and called on the above day.

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Jennifer Woodworth, District Clerk

Data Source(s): Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community, Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community



### Big Dipper Ranch Grazing Lease

- |                         |                   |
|-------------------------|-------------------|
| <b>Fence</b>            | <b>Lease Area</b> |
| - - - Fence - Other     | Grazing           |
| - - - Fence - Permanent |                   |
| - - - Fence - Proposed  |                   |
| Corral                  |                   |

Midpeninsula Regional  
Open Space District  
(MROSD)  
1/3/2022

