

R-24-57 Meeting 24-12 May 8, 2024

Subject to Revision --Continued to the May 22. 2024 Board Meeting

AGENDA ITEM 4

AGENDA ITEM

Award of Grazing Leases for three Conservation Grazing Units: Blue Brush Canyon (Purisima Creek Redwoods Open Space Preserve); Lone Madrone (La Honda Creek Open Space Preserve); and Big Dipper/Mindego (Skyline Ridge Open Space Preserve/Russian Ridge Open Space Preserve)

GENERAL MANAGER'S RECOMMENDATIONS



Based on the final evaluation results of a Request for Proposals Process that is consistent with the 2023 Board-adopted Agricultural Policy, adopt a Resolution authorizing the General Manager to:

- 1. Execute an initial five-year conservation grazing lease with Pacheco Cattle for the Blue Brush Canyon Grazing Unit in Purisima Creek Redwoods Open Space Preserve.
- 2. Execute an initial five-year conservation grazing lease with Willow Creek Land and Cattle, LLC., for the Lone Madrone Grazing Unit in La Honda Creek Open Space Preserve.
- 3. Execute an initial five-year conservation grazing lease with Baird Livestock and Land Management, LLC., for the Big Dipper/Mindego Grazing Unit in Skyline Ridge/Russian Ridge Open Space Preserve.
- 4. Extend each of the foregoing leases, at the General Manager's discretion, for up to two (2) additional five-year terms, for total lease terms of 15 years each, based on tenant performance.

SUMMARY

The Midpeninsula Regional Open Space District (District) released a Request for Proposals (RFP) on February 16, 2024, to solicit proposals from qualified livestock operators to graze three (3) District conservation grazing units. After completing a thorough review and evaluation of the proposals in alignment with the recent Board-adopted Agricultural Policy, and consideration of other pertinent District policies and overarching goals regarding agricultural operations, the recommendations are as follows based on final scoring results of the RFP review committee:

- 1. Blue Brush Canyon Grazing Unit: Pacheco Cattle
- 2. Lone Madrone Grazing Unit: Willow Creek Land and Cattle, LLC.
- 3. Big Dipper/Mindego Grazing Unit: Baird Livestock and Land Management, LLC.

The leases would each be for an initial 5-year term with a delegation of authority to the General Manager to approve up to two (2) additional 5-year extensions for each lease, based on tenant performance.

DISCUSSION

Over the past two years the District has granted lease extensions to existing conservation grazing tenants whose grazing leases were expiring, including the leases for Blue Brush Canyon and Lone Madrone, while the District developed a new Agriculture Policy (Ag Policy). The purpose of these extensions was to allow for public input and Board deliberation on the Ag Policy, which has established additional policy direction specificity on the structure, length, and selection criteria for agricultural leases, including grazing leases. The Board adopted the Ag Policy on November 1, 2023 (R-23-129). Ag Policy AG-5 sets Board policy guidance on agricultural leases as follows: "Structure agricultural leases to accomplish land management objectives and establish leases that promote conservation goals balanced with economically viable agricultural uses." Implementation measures under policy AG-5 provide policy guidance for the process of selecting conservation grazing tenants as described below:

- AG-5 (a): states that in the coastal protection area, after purchase of active agricultural lands, the land will be subject to continued use by the existing agricultural operator until the District sells the property or issues a RFP. All of the grazing units considered for award, except for Blue Brush Canyon, were previously leased pursuant to a RFP process. At the time of the property purchase, in June 2009, the District assumed the existing grazing lease and then in August 2012 entered into a 5-year lease with a 5-year option with Pacheco Cattle as the existing agricultural operator. This is the first time the Blue Brush Grazing Unit has been made competitively available through a RFP process.
- AG-5 (b): states that after the acquisition of a property and the development of a rangeland management plan, the District should solicit a RFP to enter into a long term lease. All three leases under consideration have Board approved rangeland management plans.
- AG-5 (c): states that the District will provide an open competitive process to compete for grazing leases after the expiration of the previous lease term. All three conservation grazing unit leases have either ended or are in their final year. This policy is why the District has issued an RFP for these three Grazing Units.
- AG-5 (d): states that leases will be structured to provide periodic options to renew or end the lease and have provisions for terminating a lease for poor performance. This is why conservation grazing leases are structured in 5-year agreements with options to extend for two additional 5-year periods.
- AG-5 (e): states that the lease term should be long enough to support the financial viability of the agricultural operation. That is why these lease terms provide for a 15-year term if all options are exercised. This gives the rancher the time to develop and grow their operation.
- AG-5 (f): states that the District should work with local organizations to make sure lease opportunities are well publicized, including to new/early career producers and

agricultural workers. The District conducted an extensive outreach process as part of the RFP, reaching out to many local organizations. Furthermore, the District translated the RFP materials into Spanish to allow for broader access to the RFP opportunity.

- AG5 (g): lists selection criteria, including local preference, DEI, tenant in good standing, and environmental sustainability in addition to the standard need for the ability to manage and operate the agricultural operation. Local preference is given to any proposer that lives or operates a business in San Mateo County. Tenant in good standing is given to a proposer who has met lease performance standards and is currently leasing the property that they are competing for.
- AG5 (h): states that tenant performance should be factored into the award of leases. This was included in two ways in the RFP: tenant performance determines whether they receive credit under tenant in good standing and their overall performance as a District tenant was evaluated under the experience and qualifications section.

In the Ag Policy, the Board reached a balance between an open competition to select the most qualified grazing tenant and favoring existing and local tenants. The RFP structure reflects that policy direction. The process is competitive given that properties are put out for a open, competitive process at the end of each lease, and at the same time local ranchers receive a competitive edge over proposals outside of San Mateo County, and existing tenants good standing receive a competitive edge for the property they are currently leasing.

Selection Process

In accordance with the Ag Policy, District staff released a Request for Proposals (RFP) on February 16, 2024, to solicit qualified livestock operators to graze three (3) conservation grazing units (see Attachment 2 – Description and Map). The General Manager recommends awarding the grazing leases to the proposals that best meet the requirements of the RFP and the District's Ag Policy.

The General Manager recommends executing a 5-year grazing lease with Pacheco Cattle on the Blue Brush Canyon grazing unit. Pacheco Cattle was the only proposal received for the Blue Brush Canyon grazing unit and they had the overall highest ranked written proposal for any of the grazing units. Pacheco Cattle has a 12-year track record of successfully managing Blue Brush Canyon under their current grazing lease.

The General Manager recommends executing a 5-year grazing lease with Willow Creek Land and Cattle, LLC., on the Lone Madrone grazing unit. Willow Creek was the highest-ranking proposal for the Lone Madrone Grazing Unit, which was the most desired grazing unit with three proposals ranking Lone Madrone as their first preference. Willow Creek's cumulative RFP score was higher than the second-ranked Markegards even though the Markegards received a preference for being the existing tenant in good standing. Willow Creek's proposal illustrated unique education and experience that provides for a broad knowledge base of land management and they ranked well and consistently in the proposal, interview, and site visit.

The General Manager recommends executing a 5-year grazing lease with Baird Livestock and Land Management, LLC., for the Big Dipper/Mindego Grazing Unit. The RFP process allows the District to recommend a lower ranked proposal if the highest ranked proposer is awarded their first choice. The highest ranked proposal for Big Dipper/Mindego was Willow Creek, however, their first preference is the Lone Madrone Grazing Unit. The other two higher-ranked proposals, Pacheco Cattle and Markegards, did not submit proposals for Big Dipper/Mindego. Baird Livestock had a solid proposal and demonstrated the experience and capability to operate a grazing lease. Awarding the lease to Baird Livestock also presents an opportunity for ranch employees to get their start in operating their own cattle operation.

RFP Posting and Outreach

Staff posted the RFP on the District website and on Periscope. In addition, staff informed District grazing tenants and numerous agricultural partners, including the following:

- San Mateo Resource Conservation District (RCD)
- Natural Resources Conservation Service (NRCS)
- San Mateo County Farm Bureau
- Michael Oneil- Board Supervisor Ray Mueller's Office
- Peninsula Open Space Trust (POST)
- UC Cooperative Extension Agriculture and Natural Resources
- Central Coast Rangeland Coalition (CCRC)
- Amah Mutsun Land Trust
- Puente de la Costa Sur (Puente)
- Center for Agroecology at UC Santa Cruz
- Kitchen Table Advisors
- Agriculture and Land-Based Association (ALBA)

- California Farm Link
- California Cattlemen's Association
- California Rangeland Conservation Coalition
- Sustainable Pescadero
- San Mateo County Agricultural Commissioner's Office
- San Mateo County Agricultural Advisory Commission
- Pescadero Municipal Advisory Commission
- San Mateo County Farm Worker Advisory Commission
- Farm Worker Affairs Commission
- Ayudando Latinos A Sonar (ALAS)
- Rancho San Benito
- Acterra

People who had previously requested notification for similar leases were also notified and ads were placed in the San Jose Mercury News and San Mateo County Times newspaper publications.

There was strong interest in the grazing units and a mandatory pre-proposal informational meeting drew 22 individuals representing ten (10) prospective operations. A Spanish translation was provided for Spanish-speaking proposers who attended. The District ultimately received five (5) proposals across the three available grazing units. Proposers were allowed to submit for multiple grazing units and were required to rank their preference.

Table 1: List of Proposers and the Grazing Units of Interest for Each.

Proposers ranked the grazing units of interest by their preference as shown below. Blank cells indicate that the proposer did not submit for that specific grazing unit.

Proposer	Lone Madrone	Blue Brush Canyon	Big Dipper/ Mindego
Baird Livestock and Land Management, LLC.			1st
Erik and Doniga Markegard	1st		
Hang'in P Cattle Company	1st		2nd
Pacheco Cattle		1st	
Willow Creek Land and Cattle, LLC.	1st		2nd

The selection process used a rigorous scoring system that assigned value to various goals and criteria outlined in the RFP, including applicants' experience, capacity, history, and knowledge, with an emphasis on natural resource management issues as well as additional goals identified in the Ag Policy, including environmental sustainability; diversity, equity, and inclusion; local preference; and tenant in good standing. The selection process was separated into two phases: (1) an evaluation of the written proposal submittals and (2) an evaluation of the proposer's grazing operations through interviews and site visits.

A five-person selection committee evaluated the proposals. The committee was comprised of three District staff and two external individuals (one from East Bay Regional Park District and one from University of California Cooperative Extension) chosen because of their expertise, experience and background in rangeland and natural resource management, public lands grazing, livestock/ranch management, and other grazing RFP processes. The selection committee scored proposals according to the criteria set forth in the RFP. All four proposers qualified for local preference and two of the proposers—the Markegards and Pacheco Cattle—qualified for tenant in good standing. Only one proposal was received for Blue Brush Canyon; this proposal was submitted by the existing District tenant, Pacheco Cattle. Given the sole proposal, the District did not conduct an interview and site visit for this grazing unit. The two highest-scoring proposals for Lone Madrone and Mindego/Big Dipper were invited to in-person interviews and site visits on ranches the proposers currently manage.

The interview/site visit evaluations were conducted by a three-person subset of the selection committee who evaluated the proposer'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. Each interview/site visit was evaluated using criteria set forth in the RFP and scores for this phase of the evaluation were given independent of the proposal submittals. The points from each phase of the selection process were then combined to arrive at each proposer's final numerical score and ranking.

The RFP provides that the District would make recommendations to award to the highest-ranked proposers for each grazing unit if the proposer had ranked that grazing unit as its most-preferred. The RFP also provided that:

"the District will have the sole discretion, considering the overall grazing program goals, to determine whether to award multiple Grazing Units to a single operator. Proposers are required to list the Grazing Units in order of preference. If a Proposer is the highest-ranked for its most preferred Grazing Unit, District staff will recommend awarding a lease to that Proposer for its most preferred Grazing Unit. If a Proposer is the highest-ranked for both its most preferred Grazing Unit and another Grazing Unit(s), the District may award the lease for the latter Grazing Unit to the second-ranked Proposer for that unit if the District determines that doing so will further the conservation grazing program goals and District's Agricultural Policy" (Page 10).

The RFP also provides that the District has the right, in its sole discretion, to choose not to award a lease for any Grazing Unit.

The final scores and rankings from the selection process are shown in the following tables.

Table 2: Ranking of Proposers Based on Written Proposal Scores (Phase 1)

Proposer	Score	Rank
Pacheco Cattle	94.7	I
Willow Creek Land and Cattle, LLC.	93.6	II
Erik and Doniga Markegard	93.2	III
Baird Livestock and Land Management, LLC.	84.2	IV
Hang'in P Cattle Company	64.9	V

Table 3: Ranking of Proposers Based on Oral Interviews/Site Visits (Phase 2)

Proposer*	Score	Rank
Willow Creek Land and Cattle, LLC.	96.3	I
Baird Livestock and Land Management, LLC.	95.3	II
Erik and Doniga Markegard	94.7	III

^{*}Only the top two proposals for each grazing unit moved forward to interviews. Only one proposal (Pacheco) was received for Blue Brush Canyon, so site visit and interview were not needed for that grazing unit.

Table 4: Cumulative Scores and Final Ranking of Proposers (Phase 1 and 2)

Proposer	Score	Rank
Willow Creek Land and Cattle, LLC.	189.9	I
Erik and Doniga Markegard	187.9	II
Baird Livestock and Land Management, LLC.	179.5	III

Pacheco Cattle

Pacheco Cattle had the highest-ranking *Written Proposal Score* and was identified as the most qualified applicant whose written proposal best met the goals described in the RFP for the Blue Brush Canyon Grazing Unit. As the only proposer for the Blue Brush Canyon Grazing Unit, it was determined that they did not need to participate in a second-round site visit or interview. Pacheco Cattle has been a tenant of the District for over twelve years and in that time has demonstrated an excellent ability to manage grazing lands in accordance with District goals and policy. They have a proven record of maintaining and developing critical grazing infrastructure, working cooperatively with District staff, and adjusting their grazing operations to align with natural resource considerations. As a multi-generational operation, they are an excellent example of the ongoing vibrancy of agriculture on the San Mateo County coast. Pacheco Cattle currently holds two other leases with the District, in addition to other private leases in San Mateo County.

Willow Creek Land and Cattle, LLC

Willow Creek Land and Cattle, LLC., (WCLC) was the top-scoring proposer overall (based on cumulative scores) for both the Lone Madrone and Big Dipper/Mindego Grazing Units. Willow Creek Land and Cattle identified the Lone Madrone Grazing Unit as its first preferred grazing unit and Big Dipper/Mindego Grazing Unit as its second-most preferred grazing unit.

Willow Creek Land and Cattle, L.L.C. is a California-based limited liability company co-owned by the sister-brother team, Elizabeth (Liz) Reikowski Duncan and Matthew Reikowski. Blake Duncan, Liz's spouse, is the third key partner in the operation. Liz and Matthew are the third generation of a cattle ranching family from Paicines. Blake grew up on a large family cattle ranch in Nevada. The purpose for creating WCLC was to develop a land stewardship company utilizing livestock and conservation grazing to steward natural lands. In addition to their rich history of growing up on ranch land, each of these individuals have unique education and experience that together provides for a broad knowledge base of land management. WCLC qualify for the local preference criteria because Liz and Blake live in San Mateo County, even though their business operations are outside the county.

Liz has worked for organizations gathering data and performing scientific testing to determine the benefits of conservation grazing on both public and private lands. She demonstrates the ability to analyze and interpret this data in a useable format for landowners. During the interview and site visit process, she shared examples of reports reflecting forage quality and quantity, soil analysis, and water supply information. Matthew has over a decade of experience as a livestock manager for ranches, leasing property from Bureau of Land Management, United States Forest Service, California State Parks, Contra Costa Water District, and East Bay Regional Park District. During his tenure he gained significant infrastructure maintenance and repair experience, including designing water systems and utilizing cross-fencing for rotational grazing control. Blake developed his hands on ranching experience and knowledge while working on privately-owned ranching lands and lands owned by the University of Nevada, Reno. Although he has excellent overall knowledge of livestock operations, he specializes in livestock acquisition and marketing for WCLC as well as the operation of heavy equipment.

WCLC has managed cattle on private land for over five (5) years and on public lands for over three (3) years. The public land they lease is located at Pinnacles National Park where they were tasked to

use their land management expertise to reduce the wild mustard population. Three years of rotational conservation grazing has successfully achieved that goal. Additionally, WCLC has knowledge of working on lands where threatened or endangered species are present. Specifically, the California Tiger Salamander is present on a property managed by WCLC. Additionally, the team completed a large water system improvement project on this property, requiring close coordination with both the Natural Resource Conservation Service and US Fish and Wildlife biologists.

Overall, WCLC exhibited a keen understanding of the goals of conservation grazing and demonstrated the ability to scientifically provide evidence of achievement. As Liz and Blake reside in San Gregorio, their proximity to the property will allow for prompt response to any emergencies or concerns that may impact operations. WCLC's financial knowledge and strength are well-represented in their financial statements, including the ability to source additional cattle and supplies required to run an effective operation. The energy, ambition, drive, and passion, for land stewardship through livestock management and the continuation of agricultural heritage exhibited by WCLC aligns with the District's mission and goals for the conservation program.

Although Willow Creek Land and Cattle, LLC., is the highest-ranking Proposer for both the Lone Madrone and Mindego/Big Dipper Grazing Units for which they proposed, because they are a relatively new operator and would be a new tenant to the District, it was determined that awarding them both grazing units was not in the best interests of the District's conservation grazing program at this time. In addition, selecting a different operator to graze Big Dipper/Mindego would allow the District to work with a broader group of local operators.

Accordingly, the General Manager recommends that the Lone Madrone Grazing Unit lease be awarded to Willow Creek Land and Cattle, LLC., and that the Big Dipper/Mindego Grazing Unit lease be awarded to the second highest ranking Proposer for that unit, Baird Livestock and Land Management, LLC.

Baird Livestock and Land Management, LLC

Baird Livestock and Land Management, LLC., (BLLM) is a family-owned operation comprised of brothers Sean and Arron and their parents David and Julie Baird. The Baird family are long-time ranching residents on the San Mateo Coast. Sean and Arron represent the sixth generation. After the completion of college in Montana, the brothers returned home where they wanted to develop their ranching business. Their goal is to continue their family legacy of ranching and land management on the San Mateo Coast by working with landowners to apply conservation grazing techniques and responsible land stewardship to agricultural lands they manage. The formation of Baird Livestock and Land Management, LLC., is the first step in moving toward that goal.

Although the brothers are young, they are not unknown to District staff or the local ranching community. During vacations from school, they both have worked for fencing contractors used by the District when completing fencing projects on grazing properties. They have also assisted ranching tenants with gathering and branding of cattle and various grazing infrastructure projects.

Arron is currently employed by AGCO Hay (Allan Renz), a current tenant on the District-owned Driscoll Ranch. Arron's primary responsibility for AGCO is the management of the Grant Ranch located in Santa Clara County. This position has afforded Arron the opportunity to understand what

is needed to make a property sustainable for livestock grazing as well as a better understanding of the importance of thoughtful applications of conservation grazing. He has honed his skills for utilizing heavy equipment as all the roads on the ranch were nearly unusable. Because the entire water system and nearly all the livestock fencing had to be replaced, Arron redesigned the infrastructure and installed more wildlife-friendly water troughs for better cattle rotation and ensured all fencing was wildlife friendly. Working on lands leased by AGCO from landowners such as the Santa Clara County Parks, Santa Clara Valley Open Space Authority, California State Parks and the District, Arron has learned a great deal about managing cattle on lands open to the public.

Sean is presently the Agriculture Operations Manager for Cal Poly's Swanton Pacific Ranch in Davenport where he manages 3,200 acres of land. The ranch is comprised of 65 acres of organic cropland, a two (2) acre organic apple orchard and 3,133 acres of rangeland and forest. The CZU fire in 2020 burned all but a small portion of the ranch. Sean was hired in 2022 to lead the rebuilding of all agriculture and natural resource infrastructure that was destroyed. As all of the cross-fencing was destroyed in the fire, Sean has developed a unique method of moving cattle across the ranch to achieve grazing goals. By applying science-driven techniques to measure and manage residual dry matter, the grasslands present on the ranch today reflect the success of his expertise. He is responsible for maintaining high quality forage to sustain a herd of 80 cow-calf pairs. Additionally, working for an educational facility has provided Sean the opportunity to understand budgeting and planning and the importance of working with agencies such as NRCS, RCD and Farm Services Agency. He has assisted with preparation of grant requests and provides data to support grant execution.

In addition to Sean and Arron, their parents David and Julie are a part of BLLM. Although Sean and Arron will be the primary contacts and are the driving forces of the company, David and Julie are very supportive and knowledgeable of all aspects of ranching.

BLLM provides the District with smart, eager, capable, young ranchers who are focused on furthering the rich agricultural heritage that they are a part of. They are passionate about the San Mateo Coast and cattle ranching and are enthusiastic about working with an organization that desires to utilize conservation grazing to improve wildlife habitat, maintain diverse ecosystems, manage natural resources, and share all of it with the public.

Lease Terms

The initial term of each lease is five years with two optional five-year extensions at the District's sole discretion (for a total term of fifteen years). 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. AUM rates are adjusted annually in July to reflect trends in the cattle commodity market. The AUM rate utilized by the District as of July 1, 2023 is \$20.03 per AUM.

Accordingly, the estimated initial annual lease rate for Grazing Units are as follows:

Ranch	AUM/year	AUM Rate (July 2023)	Annual Lease Fee
Big Dipper/Mindego	619	\$ 20.03	\$ 12,398.57
Lone Madrone	888	\$ 20.03	\$ 17,786.64
Blue Brush Canyon	165	\$ 20.03	\$ 3,304.95
Total Annual Fees			\$33,490.16

The recommended action would have a positive fiscal impact of up to \$33,490 per year. However, these lease fees may not be fully realized in Fiscal Year 2024-25 (FY25). AUM rates will be recalculated July 1, 2024 as is the District's customary practice. Second, leases for Lone Madrone and Blue Brush Canyon will not commence until November 1, 2024, partway through FY25. Lastly, while the lease for Big Dipper/Mindego may be signed before the start of FY25, it may take some months to introduce cattle back on to the properties due to infrastructural and/or operational constraints.

PRIOR BOARD AND COMMITTEE REVIEW

Big Dipper:

- October 24, 2007: The Board amended the Use and Management Plan to allow for conservation grazing and adoption of the Grazing Management Plan. (R-07-107, meeting minutes)
- **December 12, 2007**: The Board approved entering a lease with the prior tenant. (R-07-135, meeting minutes)
- March 28, 2018: The Board approved entering a lease with the prior tenant. (R-18-26, meeting minutes)
- March 9, 2022: The Board declined to enter a lease with a new conservation grazing tenant (R-22-35, meeting minutes)

Mindego:

- **January 22, 2014:** The Board approved the amendment to the Russian Ridge Open Space Preserve Use and Management Plan reintroducing grazing to the preserve. (<u>R-14-21</u>, <u>meeting minutes</u>)
- **January 22, 2020:** The Board approved an Addendum to the Grazing Management Plan as an amendment that added the south pasture as part of the conservation grazing area on the property (R-20-10, meeting minutes)

Lone Madrone:

• August 22, 2012: The Board approved a resource grazing plan for the former McDonald Ranch property (now "Lone Madrone") as part of the La Honda Creek

- Open Space Preserve Master Plan (R-12-83, meeting minutes).
- **November 13, 2013:** The Board approved the selection of a new conservation grazing tenant after an RFP process (<u>R-13-103</u>, <u>meeting minutes</u>)
- October 23, 2019: The Board approved entering into a new two-year lease with one-year option with the existing tenant (R-19-137, meeting minutes).
- August 10, 2022: The Board approved entering into a new two-year lease with one-year option with existing tenant (R-22-93, meeting minutes)

Bluebrush Canyon:

- August 22, 2012: The Board approved a Rangeland Management Plan for the grazing unit and authorized the General Manager to execute a five-year lease with the then-existing tenant with an option to extend for a second five years (R-12-80, meeting minutes).
- August 10, 2022: The Board approved entering into a new two-year lease with one-year option with existing tenant (R-22-93, meeting minutes)

PUBLIC NOTICE

Public notice was provided as required by the Brown Act.

CEQA COMPLIANCE

<u>Big Dipper</u>: In October 2007, the Board adopted the Grazing Management Plan (GMP) (Report R-07-107) and determined it to be categorically exempt from CEQA under Section 15301 (involving the operation, repair, leasing, licensing, or minor alteration of existing facilities, involving negligible or no expansion of existing or former use) and under Section 15304 (involving minor alterations in the condition of land, water, or vegetation that do not affect sensitive resources. The lease, which includes implementation actions from the GMP, is therefore exempt from CEQA.

Mindego: The Mindego Use and Management Plan and associated CEQA review (Mitigated Negative Declaration), which included implementation of conservation grazing (infrastructure and operation), were approved by the Board on January 22, 2014 (R-14-21).

<u>Lone Madrone</u>: A resource grazing plan for Lone Madrone (previously known as McDonald Ranch) was evaluated in a Mitigated Negative Declaration, which was approved by the Board of Directors as part of the La Honda Creek Preserve Master Plan in 2012 (see R-12-83).

<u>Blue Brush Canyon</u>: The grazing lease at Bluebrush Ranch was determined to be categorically exempt from CEQA under Section 15301 (involving the operation, repair, leasing, licensing, or minor alteration of existing facilities, involving negligible or no expansion of existing or former use) in 2012. The proposed lease is consistent with the existing CEQA evaluation performed in 2012 (R-12-80).

NEXT STEPS

Upon Board approval the General Manager will execute a conservation grazing lease with Pacheco

Cattle, Willow Creek Land and Cattle, LLC., and Baird Livestock and Land Management, LLC.

Attachments:

1. Resolution Approving the Award of a Grazing Leases for the Big Dipper/Mindego, Lone Madrone, and Blue Brush Canyon Grazing Units

2. Map and Description of Conservation Grazing Units

Responsible Department Head:

Brandon Stewart, Land & Facilities Services Manager

Prepared by / Contact person:

Matthew Shapero, Conservation Grazing Program Manager, Resource Management Specialist III

RESOLUTION 24-

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIDPENINSULA REGIONAL OPEN SPACE DISTRICT AWARDING GRAZING LEASES TO BAIRD LIVESTOCK AND LAND MANAGEMENT, LLC; WILLOW CREEK LAND AND CATTLE, LLC; AND PACHECO CATTLE (BIG DIPPER/MINDEGO, LONE MADRONE AND BLUE BRUSH CANYON GRAZING UNITS)

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

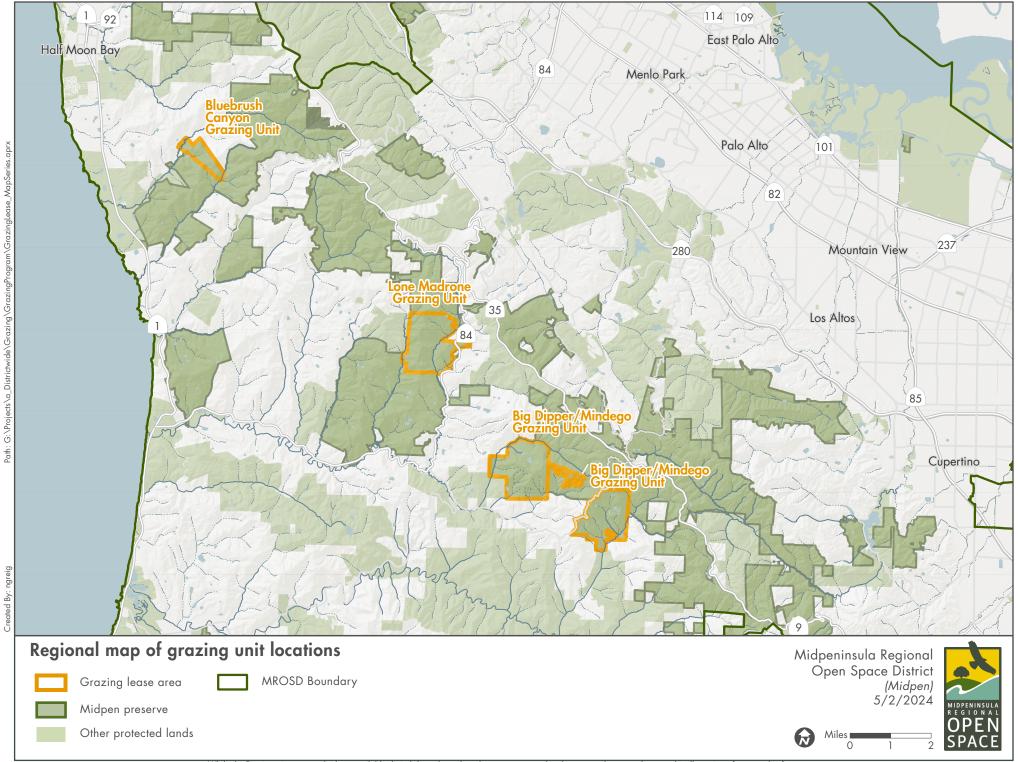
WHEREAS, the lease of the Big Dipper/Mindego Grazing Unit in Skyline Ridge/Russian Ridge Open Space Preserve, Lone Madrone Grazing Unit in La Honda Creek Open Space Preserve and Blue Brush Canyon Grazing Unit in Purisima Creek Redwoods Open Space Preserve (collectively, "Grazing Leases") for grazing and rangeland management purposes is compatible with park and open space purposes and in the public interest; and

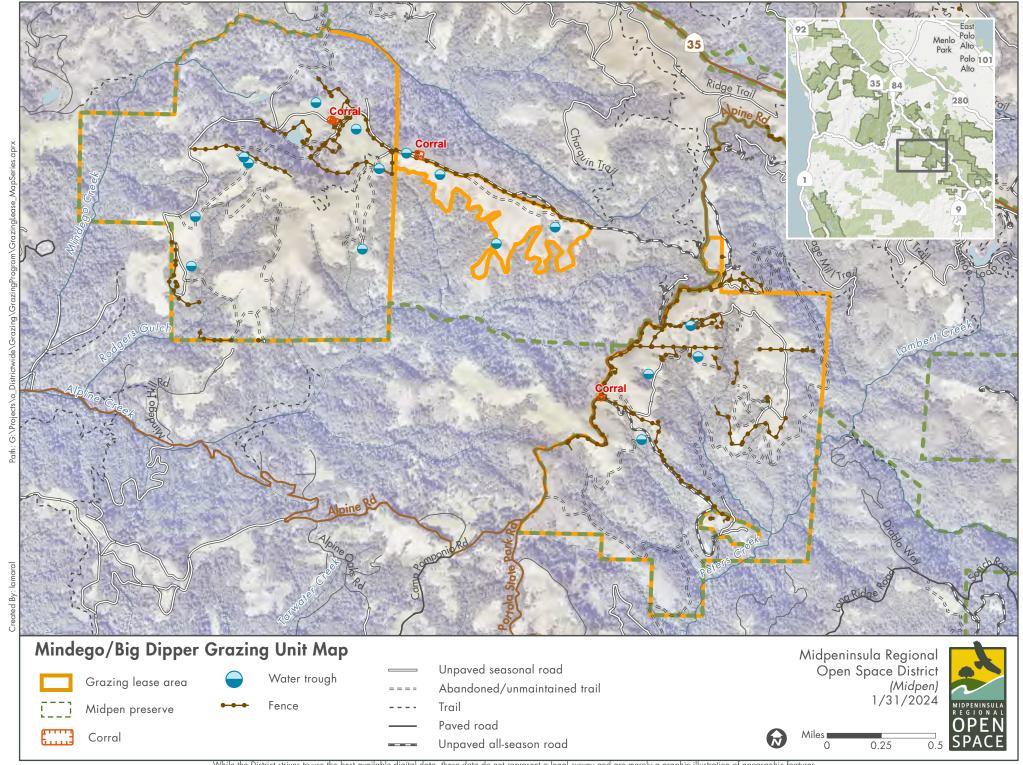
WHEREAS, the District wishes to lease the Big Dipper/Mindego Grazing Unit to Baird Livestock and Land Management, LLC; the Lone Madrone Grazing Unit to Willow Creek Land and Cattle, LLC; and the Blue Brush Canyon Grazing Unit to Pacheco Cattle, all on the terms hereinafter set forth.

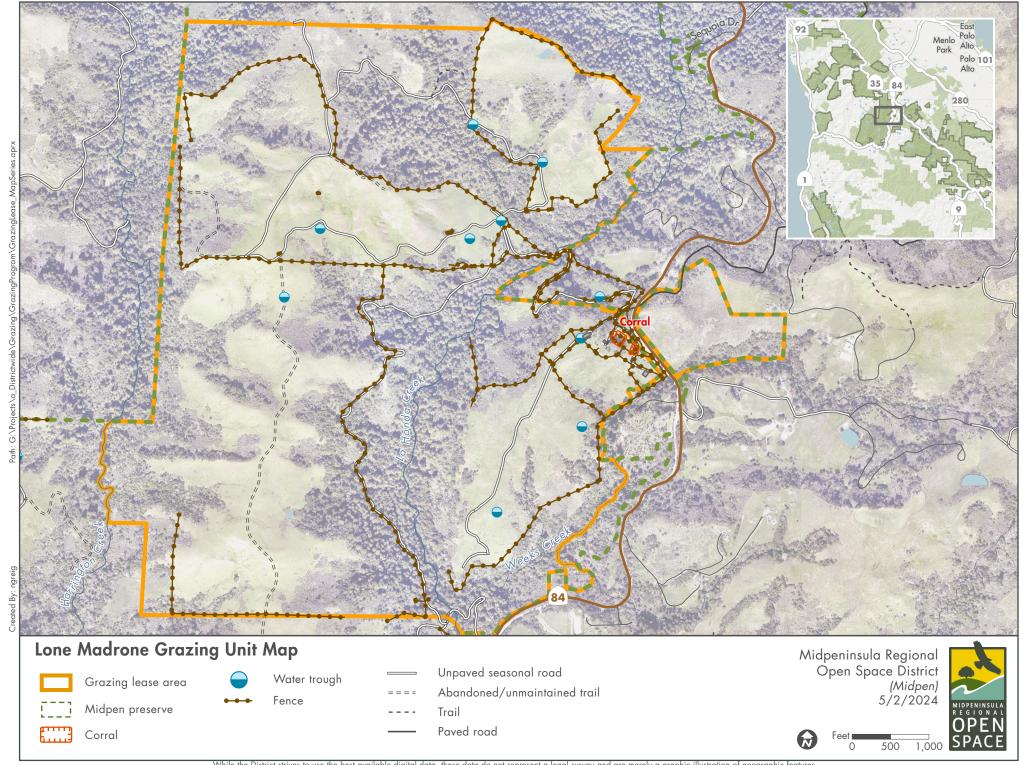
NOW, THEREFORE, the Board of Directors of Midpeninsula Regional Open Space District does hereby resolve as follows:

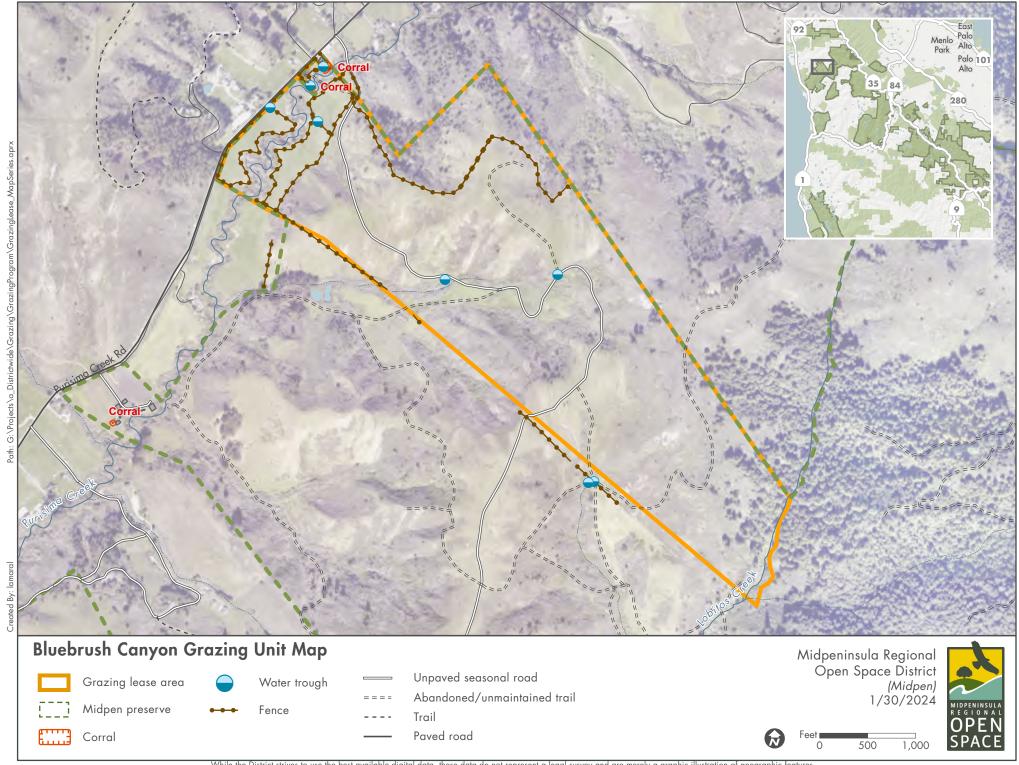
- 1. The General Manager is authorized to execute the Grazing Leases on behalf of the District with Baird Livestock and Land Management, LLC for the Big Dipper/Mindego Grazing Unit; Willow Creek Land and Cattle, LLC for the Lone Madrone Grazing Unit; and Pacheco Cattle for the Blue Brush Canyon Grazing Unit.
- 2. The General Manager, with the concurrence of the General Counsel, is authorized to approve all other documents necessary or appropriate to execute the Grazing Leases and make minor changes to the Grazing Leases that do not materially amend the terms and conditions thereof.
- 3. The General Manager is authorized to grant an extension of the Grazing Leases on the terms and conditions set forth in the Grazing Leases. The General Manager shall report any such extension of a Grazing Lease to the Board of Directors at the Board meeting immediately following the granting of the extension.

PASSED AND ADOPTED by the Board of Directors of the Midpeninsula Regional Open Space District on May 8, 2024, at a regular meeting thereof, by the following vote:		
AYES:		
NOES:		
ABSTAIN:		
ABSENT:		
ATTEST:	APPROVED:	
Curt Riffle, Secretary	Margaret MacNiven, President	
Board of Directors	Board of Directors	
APPROVED AS TO FORM:		
Hilary Stevenson, General Counsel		
that the above is a true and correct copy	eninsula Regional Open Space District, hereby certify of a resolution duly adopted by the Board of Directors ace District by the above vote at a meeting thereof duly	
	Maria Soria, District Clerk	









Description of Conservation Grazing Unit Lease Areas

Blue Brush Canyon Grazing Unit

Blue Brush Canyon Grazing Unit contains 260 acres of grass- and shrub-land areas suitable for livestock grazing. On August 12, 2012 (R-12-80), the Board approved a Rangeland Management Plan for the grazing unit and authorized the General Manager to execute a five-year lease with the then-existing tenant with an option to extend for a second five years. On August 10, 2022, the Board approved a two-year lease extension with an option for a one-year extension (R-22-19). The current lease expires October 31, 2024.

Lone Madrone Grazing Unit

The 1,062-acre Lone Madrone Grazing Unit contains approximately 636 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 as part of the La Honda Creek Open Space Preserve Master Plan in 2012 (R-12-83). The Board approved the selection of a grazing tenant for the grazing unit on November 13, 2013 after a competitive request for proposals process (R-13-103). In February 2014, the District entered into a five-year lease with the current lessee. The District declined the option to enter into the next five-year option due to performance issues, and instead opted to enter into two subsequent shorter leases: 1) a two-year lease with one-year option on October 23, 2019 (R-19-137) and 2) a two-year lease on August 10, 2022 (R-22-93) that expires October 31, 2024.

Big Dipper/Mindego Grazing Unit

The Big Dipper and Mindego grazing units have been leased separately up until now. However, given that they are located right across Alpine Road from each other and have complementary resources, they are being offered for lease as a single Big Dipper/Mindego grazing unit.

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 property was grazed under a lease with the District from 2007 until 2020. The Board decided not to award a subsequent grazing lease on March 9, 2022 (R-22-35). The Big Dipper Ranch has not had cattle grazing since approximately October 2020.

The 1,172-acre Mindego Ranch contains about 455 acres of grassland areas suitable for livestock grazing. Sage Associates completed the Grazing Management Plan for the property in 2008 with two amendments in 2013 and 2019. The last amendment was approved by the Board on January 22, 2020 (R-20-10). The District re-introduced grazing to Mindego Ranch in 2015 and selected a tenant (R-15-114) that grazed there until Summer 2023, at which point the tenant voluntarily surrendered his lease.