



ALAMEDA COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, ZONE 7

100 NORTH CANYONS PARKWAY • LIVERMORE, CA 94551 • PHONE (925) 454-5000 • FAX (925) 454-5727

NOTICE OF SPECIAL MEETING OF BOARD OF DIRECTORS

DATE: Wednesday, May 20, 2015
TIME: 5:00 p.m.
LOCATION: Zone 7 Administration Building
100 North Canyons Parkway, Livermore, California

Any member of the public desiring to address the Board on an item under discussion may do so upon receiving recognition from the President. After receiving recognition, please step to the podium and state your name and address.

In compliance with the Americans with Disabilities Act, the meeting room is wheelchair accessible and disabled parking is available at the Zone 7 Administrative Building lot. If you are a person with a disability and you need disability-related modifications or accommodations to participate in this meeting, please contact the Acting Zone 7 Board Secretary, Donna Fabian, at (925) 454-5007 or fax (925) 454-5724. Notification 48 hours prior to the meeting will enable Zone 7 to make reasonable arrangements to ensure accessibility to this meeting. {28 CFR 35.102-35, 104 ADA Title II}

A G E N D A

1. Call Meeting to Order
2. Pledge of Allegiance
3. Citizens Forum

This is an opportunity for members of the public to speak on an item not listed on the agenda. The Board cannot deliberate or take action on a non-agenda item unless it is an emergency as defined under Government Code Section 54954.2.

4. Lake Del Valle Property Grazing Lease

Recommended Action: Conduct workshop and interviews.

5. Adjournment
6. Upcoming Board Schedule: (All meeting locations are in the Boardroom at 100 North Canyons Parkway, Livermore, California, unless otherwise noted)
 - a) Regular Board Meeting: May 20, 2015, 7:00 p.m.
 - b) Special Board Meeting (if needed): June 3, 2015
 - c) Administrative Committee Meeting: June 4, 2015, 10:00 a.m.
 - d) Water Resources Committee Meeting: June 9, 2015, 4:00 p.m.
 - e) Regular Board Meeting: June 17, 2015, 7:00 p.m.



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ORIGINATING SECTION: Engineering

CONTACT: Kurt Arends

AGENDA DATE: May 20, 2015

ITEM NO. 4

SUBJECT: Lake Del Valle Property Grazing Lease

SUMMARY:

- In November 2013, Zone 7 acquired approximately 5,000 acres of land adjacent to DWR's Lake Del Valle for the purposes of watershed protection.
- The purchase of the property was subject to an existing agricultural lease, which was extended to October 31, 2015.
- Livestock grazing is considered the most effective and efficient way to manage California grasslands on a landscape scale such as the Lake Del Valle Property.
- The Board expressed an interest in going through the Request for Proposal (RFP) process before signing a new long-term grazing lease.
- An RFP was released on February 2, 2015 and twelve (12) proposals were received by the due date of March 13, 2015.
- A Proposal Review Committee made up of Zone 7 staff and outside experts in watershed protection evaluated the proposals based on the criteria described in the RFP. Staff reviewed the results of the evaluation with the Board's Patterson Ranch Ad-Hoc Committee on April 20, 2015.
- The Ad-Hoc Committee directed staff to invite the top three proposers to be interviewed by the full Zone 7 Board.
- Following a staff presentation, each of the three proposers will be given an opportunity to present to the Board why they feel they would be the best tenant for Zone 7 and answer any questions from the Board.

FUNDING:

Revenue collected from the lease is used to maintain the property and any remainder is distributed between Fund 100 – Water Enterprise and Fund 200 – General Flood Control.

RECOMMENDED ACTION:

Interview the following:

- Paul Banke
- TN Cattle Company, Inc.
- Mission Livestock Management

ATTACHMENTS:

Memo providing additional background and discussion of agenda item

Interoffice Memo

Date: May 20, 2015
To: Jill Duerig, General Manager
From: Kurt Arends, Assistant General Manager
Subject: Lake Del Valle Property Grazing Lease

The following provides additional background and discussion of the above-referenced agenda item.

BACKGROUND:

In November 2013, Zone 7 acquired approximately 5,000 acres of land adjacent to the California Department of Water Resources' (DWR) Lake Del Valle. The property was acquired for watershed protection purposes and consists primarily of Oak Woodlands, annual grassland and shrub canyons. As the property owner, not only does Zone 7 desire to manage the land for watershed protection including protecting water quality, but also for the conservation of native plants and habitat for listed and special species. Zone 7 also has an obligation to control fire hazards and minimize impacts to adjoining properties.

Livestock grazing is considered the most effective and efficient way to manage California grasslands on a scale such as the Lake Del Valle Property. Through grazing Zone 7 is able to achieve multiple watershed protection goals including vegetation management to reduce wildfire fuel loads, control of invasive weeds and maintaining grassland habitat for sensitive species. (See attached publication; "Understanding Working Rangelands"). If the land were not grazed, Zone 7 would be required to expend significant resources to manage the land to achieve watershed protection objectives.

The Lake Del Valle Property was purchased with an existing grazing lease, which was subsequently extended until October 31, 2015. Prior to signing a new long-term lease, the Board expressed an interest in conducting a Request for Proposal (RFP) process to allow any interest parties to compete for the lease.

DISCUSSION:

As a first step in managing the property, Zone 7 developed a Grazing Management and Watershed Protection Plan. The draft plan was prepared by the current lessee as the most knowledgeable person with regard to the property and Mr. Rodney Tripp, a California Certified Range Manager. The draft plan was then reviewed by Zone 7 staff and staff experienced in watershed protection from the San Francisco Public Utilities Commission (SFPUC), Contra Costa Water District (CCWD) and the University of California Extension (UC Extension). The draft plan was then revised based on the review comments and a final Grazing Management and Watershed Protection Plan was prepared in January 2015.

The purpose of the Grazing Management and Watershed Protection Plan is to explain Zone 7's goals and objectives for managing the land. The plan is also a source of information including a history of the land, a description of soil, vegetation, water, and infrastructure conditions on the property. The Plan describes restoration projects that have been completed on the property and a

Ranch Capacity estimate. The information contained in the plan gives interested parties not familiar with the property a fairly detailed overview and inventory of the property characteristics to facilitate preparation of proposals.

A draft RFP was then developed following the format used by the Contra Costa Water District and was reviewed by SFPUC staff who is experienced in the RFP process. The RFP gives detailed instructions on what is to be included in a proposal if it is to be considered for the lease and provides a selection process schedule. The RFP describes the minimum qualifications to be considered and the criteria by which the proposals will be evaluated including the weighting of those criteria.

Summarizing the criteria contained in the RFP, all proposals are to be evaluated based on:

1. Operational capacity: possessing the livestock, equipment, resources and financial means to plan, monitor and maintain the property and infrastructure and fulfill lease conditions (20%).
2. Experience with grazing management plans focused on conservation: knowledge and experience with watershed and water quality protection, environmental permitting and species, and working with other agencies and grants (30%).
3. Proposed management approach: approach to grazing the land, balancing profitability with a sustainable operation, meeting performance goals and standards, and ensuring healthy livestock (30%).
4. Proposed lease pricing (20%)

The RFP was released on February 2, 2015 and proposals were due on March 13, 2015. The RFP was advertised in the local papers, California trade publications, the Zone 7 website, and through emails and word of mouth. A site visit was held on February 25, 2015 for individuals interested in seeing the property first hand before submitting a proposal. The site visit was attended by 19 individuals.

By the March 13 due date, Zone 7 had received 12 proposals in response to the RFP. To assist Zone 7 staff in evaluating the proposals, staff enlisted the assistance of three experts in watershed protection from outside the agency; one from another public agency which leases watershed lands for grazing and two individuals from the UC Extension. All three are familiar with livestock grazing and resource conservation. Together with one member of Zone 7 staff, the proposals were independently evaluated using the criteria in the RFP. The scores of the four individuals who formed this Proposal Review Committee were combined and averaged to create a composite score for each criteria and then weighted as described in the RFP. This produced a final score for each proposal and subsequent ranking.

The results of the evaluation process were reported to the Board's Patterson Ranch Ad-Hoc Committee on April 20, 2015. After a discussion of the RFP process and results, the Ad-Hoc Committee recommended that the top three scoring proposals be invited to interviews with the Full Board on May 20, 2015.

Each proposer has been asked to present to the Board why they feel they would be the best tenant for Zone 7 to achieve its watershed protection objectives. Approximately 20 minutes has been allocated for the Board to hear each proposer's presentation and for the Board to ask questions. The Board will be asked to select a tenant and authorize the general manager to negotiate and execute a lease at the regular May 20, 2015 Board meeting.