



**Request for Proposals
for
Agricultural Leases in the Natomas Basin**

August 30, 2021
(RFP – 2021-003)

SUBMITTAL INSTRUCTIONS

All applicants are invited to attend an optional two-hour pre-proposal site visit on September 10, 2021 at 2:00 p.m. Contact the RFP Coordinator by 12:00 PM on September 8, 2021 for more information on the site visit.

Please submit proposals to SAFCA by 5:00 p.m. on **September 24, 2021**. Proposals shall be in a single PDF file of under 10 megabytes submitted by email to:

Request for Proposals (RFP) Coordinator:
KC Sorgen, Senior Natural Resource Specialist
sorgenk@saccounty.net

Please cc: herediaj@saccounty.net

Questions on this RFP may be submitted by email to the RFP Coordinator up to 10 business days before the proposal is due (i.e. submit questions by September 13, 2021 at 2:00 p.m.). Also please contact the RFP Coordinator by email if you wish to receive responses to questions and other updates. SAFCA's responses will be sent at least 5 business days prior to the proposal due date (i.e. responses to questions will be issued by September 19, 2021). All communications concerning this RFP must be directed to the RFP Coordinator at the provided email addresses. Unauthorized contact regarding the RFP with other SAFCA employees, consultants or contractors may result in disqualification. Any oral communications shall be considered unofficial and nonbinding on SAFCA.

DEADLINES AND SCHEDULE OF EVENTS

	EVENT	DATE	TIME
1	SAFCA Issues RFP	August 30, 2021	
2	Optional Site Visit for Applicants	September 10, 2021	2:00 PM

	EVENT	DATE	TIME
3	Deadline for Questions Submitted by Email	September 13, 2021	2:00 PM
4	SAFCA Issues Responses to Questions	September 19, 2021	5:00 PM
5	Deadline for Applicants to Submit Proposals	September 24, 2021	5:00 PM
6	Interviews, if required	September 29-30, 2021	
7	Preliminary Selection	October 5, 2021	
8	SAFCA Board Authorizes Contract	October 21, 2021	
9	Leases Effective	January 1, 2022	

1 General Information

The Sacramento Area Flood Control Agency (SAFCA) invites you to submit a proposal to lease agricultural lands at various locations in the Natomas Basin, in northwestern Sacramento County and southeastern Sutter County (see Figure A1). SAFCA has assumed long term Operations and Maintenance (O&M) obligations for specific areas in these general locations, many of which include mitigation sites that were established to compensate for habitat impacts resulting from flood system infrastructure improvements. SAFCA is required to ensure that these mitigation sites continue to meet performance criteria per statutory regulatory permits. To meet these requirements, portions of these lands are kept in agricultural production specifically to provide foraging habitat for Swainson's hawk and habitat for other species listed under the federal and state Endangered Species Acts.

Proposals may be for one (1) property, all seven (7) properties, or any subset of properties that the applicant chooses. Selection of a lessee for each property will be done on a property-by-property basis. An applicant may be selected to enter a lease for all, some, or none of the properties for which they submitted a proposal, but reflecting the applicant's proposed property grouping(s).

1.1 Description of Actions

Agricultural leases will be for cultivated agriculture operations on the agricultural fields in the listed properties (Figure A1 and Table 1) with maintenance responsibilities for infrastructure associated with the agricultural operation, including: irrigation system maintenance and operation; invasive/noxious weed control using mechanical and/or chemical methods; trash and debris removal; fence and gate maintenance; farm road maintenance; and general site maintenance.

Agricultural leases shall be for a period of five (5) years commencing on January 1, 2022 and ending October 31, 2026. Regular communication/meetings with SAFCA staff will be an integral part of project activities.

Questions regarding this RFP are to be directed in writing to the RFP Coordinator: sorgenk@saccounty.net with a cc to herediaj@saccounty.net.

1.2 Lessee Qualifications and Experience

All agricultural producers that meet the minimum qualifications are eligible, and for the purpose of this request, an eligible respondent is defined as:

- A. A single producer or operator,
- B. A partnership or company,
- C. A corporation or association,
- D. A non-profit organization, or
- E. A university or educational institute/organization.

1.3 Pre-Proposal Site Visit

The applicant is encouraged to attend the pre-proposal site visit to become familiar with the conditions and requirements present at each site. A description and directions to each site will be provided at the pre-proposal site visit.

1.4 Quality Assurance & Agency Coordination

The Lessee shall email a quarterly operations summary to SAFCA and inform SAFCA and its land preserve manager of any important issues that arise during the reporting period, which shall include the following:

- The status of the sites, i.e. changes in site conditions;
- The agricultural activities that occurred during that reporting period for each site; and,
- Anticipated activities for the following reporting period.

Exceptional events, such as wildfire, homeless encampments, and illegal activities shall be communicated to SAFCA immediately, and included in the quarterly operations summary.

Suggestions for changes in agricultural management may be included in the reports. The Lessee must obtain approval before implementing any proposed changes. If a critical need arises, the Lessee shall contact KC Sorgen (SAFCA, Senior Natural Resource Specialist) immediately at (916) 874-6099 or SorgenK@saccounty.net.

The Lessee shall be available to conduct monthly site visits and attend periodic meetings called at the discretion of SAFCA, with SAFCA staff and/or SAFCA's consultant

responsible for managing the agricultural lands, to inspect work performed by the Lessee and to determine future management actions.

Industry Standards

Anything customarily necessary or as requested by SAFCA, based on agricultural standards, for proper completion of the agricultural operations and not otherwise addressed in this RFP or the contract, shall be furnished and performed by the Lessee even though not contained in the specifications.

Supervision

The Lessee is solely responsible for direct supervision of the Lessee's personnel or subcontractors while operating on the Agricultural Properties.

1.5 Measurement & Basis for Payment

Payment shall be made to SAFCA annually, prior to January 1, for each field under lease. Please refer to Section 6.1 for lease rates.

2 Scope of Work/Activities:

The agricultural lease includes responsibility for maintaining lands and infrastructure associated with the agricultural operations, including:

- A. Fence and gate repair,
- B. Farm road maintenance to maintain access and prevent erosion,
- C. Mowing for weed control, fire control, and improving raptor foraging habitat,
- D. Control of noxious weeds and invasive plants (including, but not limited to cattail, yellow star-thistle, medusahead grass, and barb goatgrass). Management activities may include:
 - a. Application of herbicides
 - b. Manual/mechanical removal
 - c. Mowing,
- E. Establishing fire breaks,
- F. Maintaining irrigation channels and infrastructure,
- G. Acquiring and purchase of any necessary irrigation water, and
- H. If any agricultural fields are left fallow: plowing, planting cover crops and/or native grasses, and mowing for weed abatement.

The agricultural lease is strictly for activities directly related to and in support of agricultural crop production. Recreation, hunting, agri-tourism, farm stands, and other commercial uses are prohibited.

3 Properties Covered:

There are 7 properties throughout the Natomas area associated with this RFP (Figure A1) totaling approximately 420 acres. From South to North, these are:

1. **Sharma** (Figure A2) Sharma is a 21-acre field that is currently fallow. Irrigation water for Sharma is supplied by turnouts from the Riverside Irrigation Canal (located along the northwestern and western sides of the property and operated by Natomas Central Mutual Water Company (NCMWC). The Lessee will purchase irrigation water from NCMWC for agricultural crop production on Sharma, under existing landowner/shareholder rights owned by SAFCA.
2. **Novak** (Figure A3) Novak is a 50-acre field currently in row crops. Irrigation water for Novak is supplied by a turnout from the Riverside Irrigation Canal, operated by NCMWC, and is conveyed to the agricultural fields in the Novak Supply Channel. The Lessee will purchase irrigation water from NCMWC for agricultural crop production on Novak, under existing landowner/shareholder rights owned by SAFCA.
3. **Hewitt** (Figure A4) Hewitt is a 26-acre field that is currently fallow. The Lessee will purchase irrigation water from NCMWC for agricultural crop production on Hewitt, on an as-available basis, and will need to improve irrigation infrastructure, in cooperation and with the approval of SAFCA, to deliver water to this property. The property may also be dry-farmed.
4. **Willey** (Figure A5) Willey is a 5-acre portion of a field that is currently in alfalfa. The remainder of the field (33 acres) is under separate ownership (currently Siddiqui, et al.) and the Lessee would be responsible for separately negotiating any lease for the portion of the field not under SAFCA ownership.
5. **Pappa Rosa** (Figure A6) is a 44-acre field currently in row crops. Irrigation water for Pappa Rosa is supplied by turnouts from the Elkhorn Irrigation Canal, operated by NCMWC. The Lessee will purchase irrigation water from NCMWC for agricultural crop production on Pappa Rosa, under existing landowner/shareholder rights owned by SAFCA.
6. **South Sutter** (Figure A7) is a 73-acre field currently in row crops. Irrigation water for South Sutter is supplied by turnouts from the Elkhorn Irrigation Canal, operated by NCMWC. The Lessee will purchase irrigation water from NCMWC for agricultural crop production on South Sutter, under existing landowner/shareholder rights owned by SAFCA. There is also an agricultural well on the site capable of producing a flow of approximately 1,600 gpm. The existing submersible pump and motor produces about 400 gpm. The Lessee would be responsible for the costs of installing a larger pump and motor if desired.
7. **Brookfield Rice** (Figure A8) is a 202-acre parcel with 4 fields of about 180-acres total leveled for rice. Currently, 2 of these fields are in rice and the other 2 are fallow as a

result of current limited water availability. Rice production on the fields is typically rotated annually or biannually. The Lessee will purchase irrigation water from NCMWC for rice crop production, on an as-available basis, or through an agreement negotiated separately with the neighboring landowner (Brookfield Holdings) for groundwater.

4 Organization of Proposal

4.1 Transmittal Letter

The proposal must include a transmittal letter signed by a person authorized by the organization to undertake projects and enter into contracts. The letter should include the name, address, email address, and phone number of the organization's primary contact person. The primary contact person should be able to answer questions on the submittal, arrange an interview, and manage contract negotiations.

4.2 Qualifications

Potential agricultural lessees will be required to submit a one to four-page proposal that describes how the applicant meets each of the following minimum qualifications:

- A. Two years of experience in agricultural production,
- B. Possession or the ability to source the necessary equipment for agricultural production,
- C. Possess or are able to secure the services of a Pesticide Applicator, and
- D. Meet the minimum insurance requirements as described in Exhibit B.

The proposal will also need to indicate which property or group of properties the applicant is proposing to farm and describing the applicant's experience and capacity to meet the minimum qualifications described in this RFP. The proposal shall demonstrate the applicant's experience with agricultural production and possession or ability to obtain adequate farm equipment to farm the properties and shall include a description of the proposed agricultural production. The proposed agricultural activity discussion shall include plans for obtaining irrigation water and any associated agricultural leases for neighboring properties that may be necessary or beneficial for the agricultural production on the proposed property, recognizing that arrangements for outside irrigation or activities on adjacent fields may be adaptive and may be modified as conditions change.

4.3 References

Provide two references in the past five years or one reference in the past two years that can attest to the applicant's experience in agricultural production. Include contact information on the responsible manager/landowner, including name, current address, current telephone number, and current email address (if available) of references.

4.4 Insurance

Provide a summary of the applicant's insurance coverage including public liability, automobile, and environmental liability. The successful applicant shall also summarize their ability to have in place all necessary insurance coverage and limits under SAFCA's standard contract terms, which are attached hereto as Exhibit B.

5. Selection Process

SAFCA will select the most qualified applicant that proposes to complete the requested scope of farming activities. SAFCA may request interviews with all or a subset of the applicants if an interview would enable a more complete evaluation of otherwise closely-ranked submittals or if a clarification of responses would help with the selection. The proposals will be scored using the contents of the proposal as described above and other information such as might be provided during interviews if they are held. Proposals will be evaluated on the basis of three criteria, weighted in the selection decision as follows:

- 30% Past experience with conservation-oriented agricultural practices,
- 30% References from past agricultural leases and the ability of the applicant to adequately meet contract terms in a timely manner, and
- 40% Feasibility of the agricultural proposal to be implemented and meet management goals and objectives.

SAFCA reserves the right to reject any proposals received for any reason, to negotiate and enter an agreement with any qualified applicant, or to cancel the process. All proposals and material submitted to SAFCA will become the property of SAFCA and be subject to public disclosure, and submittal of an RFP will be considered proof of consent to such disclosure. SAFCA is not liable for any costs incurred in the preparation and submittal of a proposal.

SAFCA reserves the right to award all, part, or none of the leases at its sole discretion based on the proposals received. SAFCA staff will advise all RFP submitters on the relative ranking of the proposals. The final selection of applicant will be subject to approval by the SAFCA Board of Directors.

6. Lease Agreement

After the proposals have been evaluated by SAFCA, the RFP Coordinator will invite the best-evaluated applicant for each property or group of properties to participate in negotiations with SAFCA. SAFCA reserves the right, at its sole discretion, to negotiate with the apparent best-evaluated applicant.

The apparent best-evaluated applicant shall be prepared to enter into a lease agreement with SAFCA which shall be substantially the same as the Lease Agreement Template included in Exhibit C of this RFP. Notwithstanding, SAFCA reserves the right to add terms

and conditions, deemed to be in the best interest of SAFCA, during final lease agreement negotiations. Any such terms and conditions shall be within the scope of the RFP and shall not affect the basis of proposal evaluations.

The lease agreement will be for the period from January 1, 2022 through October 31, 2026, subject to renewal, or termination for non-performance.

SAFCA staff will make a recommendation to the Board on award of a lease or rejection of the proposals, in accordance with applicable SAFCA contracting policies and authorities.

6.1 Lease Rates

The applicant's lease rate is dependent on the property and crop type grown. Please see Table 1 below, which are the current lease rates, to determine the annual payment terms for each property of: either a fixed dollar amount per acre each year, a percentage of the gross proceeds from sale of the crop each year, or the greater value of each.

TABLE 1: AGRICULTURAL FIELDS AVAILABLE FOR PROPOSALS IN THIS RFP

Property	Estimated Acres Available ¹	Allowable Crops	Lease Rate Basis
Sharma	21	Low growing crops ²	\$50 per farmable acre
Novak	50	Low growing crops ²	The greater of \$250 per farmable acre or 10 percent of the gross proceeds from crop sales
Hewitt	26	Unrestricted	12 percent of the gross proceeds from crop sales
Wiley	5	Unrestricted	The greater of \$250 per farmable acre or 10 percent of the gross proceeds from crop sales
Pappa Rosa	44	Low growing crops ²	15 percent of the gross proceeds from crop sales
South Sutter	73	Low growing crops ²	15 percent of the gross proceeds from crop sales
Brookfield Rice	180	Rice in rotation with low-growing crops or cover crops	\$100 per planted acre

¹Estimated acres and may include some access roads and ditches.

²Low growing crops appropriate for Swainson's hawk foraging habitat include tomatoes, beans, beets, potatoes, melons, squash, pumpkins, and alfalfa. Wheat, oats, and barley are also permissible. Other crops may be allowed with prior consultation with and approval by SAFCA. Orchards, vineyards, corn, sunflower, and safflower are not allowable.

Exhibit A. Agricultural Field Locations

Exhibit B. Insurance Requirements

Exhibit C. Lease Agreement Template