



Hetch Hetchy
Regional Water System

Services of the San Francisco Public Utilities Commission

**CITY AND COUNTY OF SAN FRANCISCO, BY AND THROUGH
ITS PUBLIC UTILITIES COMMISSION**

**REQUEST FOR PROPOSALS FOR CATTLE GRAZING LEASES
ON ALAMEDA CREEK WATERSHED LAND
IN ALAMEDA AND SANTA CLARA COUNTIES**



**REQUEST FOR PROPOSALS
FOR CATTLE GRAZING LEASES**

ISSUE DATE: MARCH 16, 2026

QUESTION AND ANSWER DEADLINE: APRIL 3, 2026

PROPOSALS DUE: April 22, 2026 by 3:00 P.M. Pacific Standard Time

Key Contact:
Clayton Koopmann, SFPUC Rangeland Manager
ckoopmann@swater.org

TABLE OF CONTENTS

I.	GENERAL INFORMATION	1
	A. INVITATION TO BID	1
	B. BACKGROUND	1
	C. SFPUC OBJECTIVES FOR THE GRAZING LEASES	2
II.	GRAZING LEASE OPPORTUNITY	2
	A. OVERVIEW OF PROPERTY AVAILABLE FOR LEASE	2
	B. RENT CALCULATION AND RENTAL CREDITS	3
	C. GRAZING LEASE KEY TERMS.....	4
III.	INSTRUCTIONS TO APPLICANTS.....	4
	A. ISSUANCE OF REQUEST FOR PROPOSAL.....	4
	B. PRE-PROPOSAL MEETING.....	4
	C. REQUEST FOR PROPOSALS SCHEDULE	4
	D. INSTRUCTIONS REGARDING SUBMITTAL OF QUESTIONS BEFORE LEASE AWARD	5
	E. COMMUNICATION RESTRICTIONS.....	6
IV.	GENERAL SUBMITTAL REQUIREMENTS.....	6
	A. SUBMISSION OF REQUIRED DOCUMENTS	6
	B. PROPOSAL FORMAT AND EXECUTION.....	6
V.	TENANT SELECTION.....	6
	A. THE SELECTION PROCESS	6
	B. MINIMUM CRITERIA.....	7
	C. SELECTION PANEL	8
	D. SELECTION CRITERIA AND SCORING	8
	E. REJECTION OF PROPOSAL(S)	9
VI.	ADDITIONAL INFORMATION	10
	A. LEASE AWARD	10
	B. INVITATION TO SUBMIT PROPOSALS; NO OBLIGATION BY SFPUC TO CONTRACT.....	10
	C. RESERVATION OF RIGHTS BY CITY.....	10
	D. SUNSHINE ORDINANCE.....	11
	E. RETURN OF MATERIALS.....	11

F. LEASE APPROVALS	11
G. APPROVED VENDOR OF THE CITY; CONTRACT MONITORING DIVISION (“CMD”) CERTIFICATION	11
H. CITY CONTRACTING REQUIREMENTS	11
I. MISCELLANEOUS REQUIREMENTS	12

APPENDICES:

- Appendix A: Map of SFPUC Grazing Units within the Alameda Creek Watershed
- Appendix B: Cattle Grazing Lease Template
- Appendix C: Alameda Creek Watershed Rangeland Management Plan
- Appendix D: Individual Grazing Unit Maps
- Appendix E: Grazing Unit Management Plans
- Appendix F: Animal Unit Month (AUM) Pricing Index
- Appendix G: Submittal Requirements
- Appendix H: Applicant’s Certificate of Accuracy
- Appendix I: Tenant Insurance Requirements

I. GENERAL INFORMATION

A. INVITATION TO BID

The City and County of San Francisco (City), through its Public Utilities Commission (SFPUC), is pleased to announce the opportunity for livestock operators to provide resource management services in the form of livestock grazing.

The SFPUC is seeking proposals from qualified cattle operators to enter into leases with the City for grazing on the Alameda Creek Watershed lands in Alameda and Santa Clara counties for 8 individual grazing units. As illustrated in **Appendix A**, the portion of the watershed to be leased encompasses approximately 33,000 acres and includes 18 Grazing Units ranging in size from approximately 8 acres to approximately 10,636 acres. A Grazing Unit is a geographically defined area available for a single lease.

The SFPUC invites qualified applicants to submit proposals with their relevant experience and qualifications to work with the SFPUC to maintain and enhance the diversity of native plant and animal communities, enhance water quality, manage vegetative fire fuel loads, and maintain and improve grazing infrastructure. Existing SFPUC grazing tenants in good standing may submit proposals.

The SFPUC will award eight individual Grazing Leases (individually, a “Grazing Lease” and collectively, the “Grazing Leases”) through this Request for Proposals (sometimes referred to as the “RFP”). The SFPUC will award one lease for each available Grazing Unit. An applicant may apply for and receive an award for more than one Grazing Unit.

Interested livestock operators may submit one proposal for more than one Grazing Unit. In the application cover letter, the applicant should list the Grazing Units for which the applicant is applying in order of preference.

This Request for Proposals describes the background and the process for preparing and submitting proposals and the necessary materials. The terms and conditions of the cattle Grazing Lease are stated in the SFPUC lease template available on the RFP website as **Appendix B**. Before submitting a proposal, each applicant should carefully examine the information in this Request for Proposals and fully understand all existing conditions and limitations.

B. BACKGROUND

The City, under the SFPUC’s jurisdiction, owns over 40,000 acres of land in the Alameda Creek Watershed, which is located within portions of Alameda and Santa Clara counties. The SFPUC’s Alameda Creek Watershed lands include two reservoirs: the San Antonio Reservoir and the Calaveras Reservoir. These reservoirs supply drinking water to San Francisco and other Bay Area communities as part of the expansive Hetch Hetchy Regional Water System.

The SFPUC utilizes livestock grazing under its existing leases and the upcoming new leases as one of many tools to achieve the SFPUC’s resource management objectives within its watershed lands, consisting of approximately 33,000 acres of rangelands surrounding the San Antonio and Calaveras reservoirs. These objectives include enhancing grassland and wildlife habitat, reducing non-native invasive plant species, reducing wildfire fuel loads, enhancing biodiversity, and promoting the growth of native vegetation.

C. SFPUC OBJECTIVES FOR THE GRAZING LEASES

This Request for Proposals intends to solicit qualified livestock operators to enter into leases to graze cattle on SFPUC land, subject to the terms and conditions of the 2026 Alameda Watershed Rangeland Management Plan (“Rangeland Management Plan”), in an effort to achieve the SFPUC’s resource management goals and objectives. The SFPUC prefers to lease to local livestock operators who can closely manage their grazing operations, maintain the rangeland and infrastructure in good condition, and rapidly respond to issues and any emergencies on the leased premises.

The leased premises will be managed according to the Rangeland Management Plan to ensure that sustainable practices and grazing strategies are implemented to protect and enhance habitat value and water quality. The Rangeland Management Plan is available on the RFP website as **Appendix C**.

Tenants must conduct grazing in a manner that does not negatively affect freshwater resources, degrade natural resources, or lead to increased soil erosion. Tenants are expected to implement adaptive management techniques so that the intensity, frequency, and duration of grazing achieve the SFPUC’s resource management goals.

II. GRAZING LEASE OPPORTUNITY

A. OVERVIEW OF PROPERTY AVAILABLE FOR LEASE

As stated above, eight Grazing Units are available for lease through this Request for Proposals process. The eight Grazing Units are identified below. A map of each Grazing Unit is attached as **Appendix D**.

Name	Code	Prior Grazing Unit Name and Code	Approximate Acreage
Calaveras Reservoir	GU-23	Calaveras Creek CA-1	10,636
Maguire Peaks	GU-16	Turner Dam LA-5 and Maguire Peaks LA-3	2,892
Mission Peak	GU-22	Ornellas CA-4	3,056
Paloma	GU-13	Paloma Tank Farm LA-7	157
San Antonio Creek	GU-17	San Antonio Creek SA-1	5,806
Sheep Camp Creek	GU-12	Sheep Camp LA-6	474
Confluence	GU-15	Miscellaneous CA-8.3	857
Sierra Road	GU-29	Miscellaneous CA 5.1	67

Each Grazing Unit has individual topographic and vegetative characteristics with specific requirements and resource management objectives. A Grazing Unit Management Plan (“GUMP”) has been developed for each Grazing Unit that states the site characteristics, infrastructure, and management goals for the Grazing Unit. The GUMPs are available on the RFP website as **Appendix E**. No GUMP is available for Sierra Road.

Existing livestock infrastructure on the premises to be leased may include fencing, water systems, corral facilities, and ranch roads. Such infrastructure varies in condition across the various parcels and will require maintenance, and in some cases replacement, so that grazing can be conducted in accordance with the SFPUC’s resource management objectives. Tenants will be required to

maintain and repair infrastructure on the leased premises. In some cases, this maintenance and repair work may be considered for rental credit offsets. The SFPUC's prior written consent is required for any improvements, including rent credit work and projects that are to be completed in cooperation with another agency and/or service provider. Additional insurance requirements may apply in these instances.

The suggested stocking rate and season of use for each Grazing Unit will be consistent with the Rangeland Management Plan. Stocking rates are flexible and will be adjusted annually to accommodate forage production levels, which fluctuate year to year depending on the quantity and timing of precipitation.

B. RENT CALCULATION AND RENTAL CREDITS

The SFPUC calculates Grazing Lease rent using an Animal Unit Month (AUM) system. An AUM is defined as one Animal Unit Equivalent (AUE) grazing for one month. One AUE is considered to be one mature cow, 2 years old and above, including a nursing calf of less than 8 months of age at her side. The AUE values are as follows:

Animal Type	Animal Unit Equivalent (AUE)
Mature Cow (including cow/calf pair)	1.00
Replacement Heifers/Bred Heifers (1-2 years of age)	1.00
Mature Bull	1.50
Stocker Cattle (400-700 pounds)	0.50
Stocker Cattle (700-900 pounds)	0.75
Horse	1.25

Rents are calculated by multiplying the number of AUEs grazing on the leased premises by the total number of months grazed for the season or year to obtain the total AUMs. The AUMs used are then multiplied by the current AUM rate to determine the annual rent. The current fair market value-AUM rate used by the SFPUC is \$38.30 per AUM.

Example: 50 bred heifers grazing for 6 months would be 50 AUE x 6 months = 300 AUM. 300 AUM x \$38.30 per AUM = \$11,490.00 rent for 6 months.

The SFPUC calculates the AUM rate annually each June to reflect trends in the cattle market, using the average blended sale price per hundred weight of stocker cattle (heifers and steers 500 to 800 pounds). A copy of the AUM rate index is referenced in **Appendix F** of this Request for Proposals. The AUM Rate Index may be updated from time to time to reflect current prices.

The Grazing Lease requires the tenant to make two rental payments each year, once in November and once in May. Semi-annual payments allow the SFPUC to adjust rents for fluctuations in stocking rates, as well as to credit tenants for rent credit projects.¹

¹ The SFPUC works with livestock operators to share the costs of some infrastructure improvements and ranch maintenance in the form of rent credits. A few examples of rent credit work include improvements to perimeter fencing, corral repair, water system improvements, and ranch road maintenance. The SFPUC limits a rent credit for work to the amount of the annual rent due on the leased premises.

C. GRAZING LEASE KEY TERMS

The terms below are more formally defined in the Grazing Lease.

Lease Term:	One (1) five-year term. Subject to the tenant's satisfaction of the tenant's lease obligations and compliance with the Rangeland Management Plan, the tenant will have one (1) option to extend the term for four (4) years.
Term Commencement:	November 1, 2026, subject to delays.
Permitted Use:	Cattle grazing
Base Rent:	The annual Base Rent is based on the Approved Stocking Rate (expressed in Animal Unit Months) for the leased premises. If the Approved Stocking Rate changes, the Base Rent will be adjusted to reflect such change, as described in <u>Section 5</u> of the Grazing Lease.
Maintenance, Repair, and Utilities:	The tenant will be responsible for the maintenance and repair of the leased premises, including fixtures, structures, and interior fences as described in Section 11 of the Grazing Lease. The tenant will be responsible for procuring and paying for all utilities serving the leased premises.
Possessory Interest Taxes:	The tenant will be responsible for paying any possessory interest taxes or assessments assessed by the Alameda or Santa Clara County Assessor.
As Is Condition:	The tenant will accept the leased premises and improvements in their "as is, where is" condition.

Please note that if there is any inconsistency between the terms and conditions of this Request for Proposals and the Grazing Lease, the Grazing Lease terms and conditions will prevail.

III. INSTRUCTIONS TO APPLICANTS

A. ISSUANCE OF REQUEST FOR PROPOSAL

Copies of this Request for Proposals, including supporting documents, may be obtained from the SFPUC's website, under the "News + Notices" tab at this address: sfpuc.gov/grazing-leases.

B. PRE-PROPOSAL MEETING

Livestock operators interested in submitting proposals responding to this Request for Proposals must attend a mandatory pre-proposal meeting in Sunol, California. The meeting details will be posted on the SFPUC's website at sfpuc.gov/grazing-leases. Property tours will not be offered before the proposal deadline. The SFPUC may offer property tours to the successful applicants after the lease award.

C. REQUEST FOR PROPOSALS SCHEDULE

Below are the key dates and deadlines for the Request for Proposals process. If the SFPUC finds it necessary to change any of the dates or times listed below, the SFPUC will issue a formal addendum to this Request for Proposals and post it on the SFPUC website link for the RFP. All dates are subject to change at the SFPUC's sole discretion. Please check the SFPUC website regularly for updates.

Mandatory Pre-Proposal Meeting:	10:30 a.m. on March 27, 2026 at the: San Francisco Public Utilities Commission Sunol Yard Shop 505 Paloma Way, Sunol, CA 94586 <i>Applicants must RSVP to attend by emailing ckoopman@sfgwater.org</i>
Deadline to Submit Questions:	Any requests for information or clarification of this RFP other than those raised at the pre-proposal meeting must be submitted in writing by email to ckoopmann@sfgwater.org and RES@sfgwater.org before 4 p.m. on April 3, 2026 . Please include in the email header: Grazing Lease RFP
Proposal Deadline:	3 p.m. on April 22, 2026. All proposals must be submitted by two methods: (i) delivery via email to Jonathan Mendoza at RES@sfgwater.org and to ckoopmann@sfgwater.org , with "Grazing Lease Proposal" in the email header, and (ii) delivery by hand or by overnight mail to: San Francisco Public Utilities Commission Attention: Clayton Koopmann, Grazing Lease Proposal 505 Paloma Way, Sunol, CA 94586 <i>Proposals will only be accepted in person April 20-22, 9 a.m. - 3 p.m.</i>
Lease Award:	June 1, 2026, subject to delays
Grazing Tenants Deadline to Sign Grazing Leases:	July 1, 2026. The SFPUC General Manager will sign the Grazing Leases after the tenants sign them.
Grazing Lease Commencement:	November 1, 2026, subject to delays

D. INSTRUCTIONS REGARDING SUBMITTAL OF QUESTIONS BEFORE LEASE AWARD

Applicants interested in submitting proposals should exercise their best judgment in analyzing and interpreting the requirements of this Request for Proposals. If additional clarification is necessary or desired, interested parties may submit a written request for clarification of the Request for Proposals as stated above.

The SFPUC will post responses to written questions and requests for clarification on an addendum to the Request for Proposals on the SFPUC's website. The SFPUC will email a notice of the posting of the addendum to applicants who have provided the SFPUC with an email address during the pre-proposal meeting.

Applicants may pose additional written questions relating to the original addendum no more than three days after the date of the original addendum posting. The SFPUC will respond to any additional questions regarding the original addendum in the same manner. The SFPUC reserves the right to post addenda until 48 hours before the proposal submittal date and time. Please check the SFPUC website regularly for updates.

E. COMMUNICATION RESTRICTIONS

The SFPUC will only respond to written questions regarding the Request for Proposals. This restriction applies to all RFP inquiries, even from existing tenants. Applicants interested in submitting a proposal may not communicate with SFPUC staff regarding this solicitation until after the award announcement.

IV. GENERAL SUBMITTAL REQUIREMENTS

Submitted proposals must meet the requirements set forth in this Request for Proposals. Any major deviation from these requirements may be cause for the SFPUC to reject any proposal at the SFPUC's discretion.

A. SUBMISSION OF REQUIRED DOCUMENTS

The SFPUC must receive all proposals before the proposal submittal deadline. The Date and timestamp for each proposal will be determined via email receipt. Late proposals will be deemed non-responsive and rejected. After a proposal has been submitted, the SFPUC will not permit any modifications to the proposal.

B. PROPOSAL FORMAT AND EXECUTION

The proposal must be typed on 8-1/2" by 11" paper. The applicant may use larger-sized paper for attachments such as charts, maps, and spreadsheets. An applicant must submit all documents in the format and order required by **Appendix G** to this Request for Proposals. An applicant must provide detailed responses that fully demonstrate their ability to meet or exceed the criteria outlined in **Appendix G**. The City reserves the right to request clarification or additional information from any or all applicants at any time during the process.

An applicant submitting a proposal must sign and include one (1) original (clearly marked "Original") and three (3) complete hard copies of its proposal, including all attachments. ***All proposals sent via email must clearly state Grazing Lease Proposal in the subject line.***

In the original, the applicant must sign and submit a certificate in the Applicant's Certificate of Accuracy form shown in **Appendix H** of this RFP. A corporation must execute the certificate by its duly authorized officers according to its corporate bylaws. A partnership must execute the certificate by its duly authorized partners according to the partnership agreement. A limited liability company must execute the certificate by its duly authorized members or managers.

If the applicant's firm is a joint venture consisting of a combination of any of the above entities, each joint venture must execute the certificate in accordance with the above. Anyone signing a certificate as an agent of a firm or entity must submit legal evidence of his/her authority as an authorized agent to do so with the certificate. Where necessary, due to the number of signatories, copies of the signature pages of the documents may be executed in counterparts, collated, and submitted by such additional signatories.

V. TENANT SELECTION

A. THE SELECTION PROCESS

The SFPUC will award the Grazing Lease(s) to the applicants whose proposals most closely satisfy the SFPUC's minimum qualification requirements, including experience, while demonstrating an understanding and willingness to conduct their grazing activities in a manner

that will promote maintenance of and improvements to the leased premises, enhance the natural resource value, and work with the SFPUC to achieve its resource management goals.

The per AUM rent described in this Request for Proposals is standard for all grazing leases on SFPUC land and is not a determining factor in the tenant selection process.

The selection process for the SFPUC's grazing tenant generally follows six steps:

1. The SFPUC will receive and review submitted proposals and verify whether each applicant has met the minimum qualification requirements.
2. The SFPUC will determine the most highly qualified applicants based on written proposal scores.
3. The SFPUC will interview the highest-ranking applicants.
4. The SFPUC will award the bids to the highest-ranking applicants based on the submitted proposal and interviews.
5. The SFPUC will receive the executed Grazing Leases from the selected applicants.
6. The SFPUC General Manager will execute the Grazing Lease, which will commence on or around November 1, 2026.

B. MINIMUM CRITERIA

Applicants must meet the following minimum requirements; otherwise, their proposals will not qualify for evaluation, and the SFPUC will not consider them.

Request for Proposals Submittal:	An applicant must have prepared and submitted a proposal in accordance with the requirements of this Request for Proposals before the submission deadline.
Experience:	An applicant must demonstrate a minimum of five (5) recent years of verifiable cattle grazing experience under a natural resource management grazing program.
Financial Capacity:	<ol style="list-style-type: none"> 1. An applicant must demonstrate the financial resources to undertake this opportunity, including the demonstrated ability to: <ol style="list-style-type: none"> (i) pay the Grazing Lease rent, (ii) procure the current and ongoing insurance required by the Grazing Lease, and (iii) hire staff to (A) maintain and repair the leased premises, (B) participate in repairs of the infrastructure on the leased premises, and (C) operate and manage cattle grazing on the leased premises in a manner that meets the Rangeland Management Plan requirements. 2. The SFPUC reserves the right to request a credit report and additional financial information from each applicant. The SFPUC may review an applicant's financial performance in other projects to determine whether the applicant's other projects have been solvent. 3. An applicant must be current in the payment of all applicable business taxes, payroll taxes, sales taxes, and other assessments owed by the applicant, and have filed all necessary tax returns with the United States Internal Revenue Service and California Franchise Tax Board. 4. An applicant must not have been evicted, subject to financially adverse litigation, or filed for bankruptcy protection within the last 10 years.
Insurance, Permits, and City Vendor Status:	Prior to the SFPUC executing a Grazing Lease after an award, the applicant must provide certificates of all insurance required by the Grazing Lease and obtained all necessary permits and licenses required by the City and County of San Francisco, including but not limited to becoming a qualified City Vendor.

C. SELECTION PANEL

Following the SFPUC's receipt of the proposals, a panel comprised of at least three qualified representatives selected by the City with natural resource, real estate, and/or financial experience will evaluate and rank the proposals based on the minimum qualifications and selection criteria outlined above. Those proposals meeting the minimum qualifications will be scored and ranked by the selection panel. The applicant with the highest score will receive a ranking of 1, followed by the applicant with the second-highest total score, and so on. The applicants with the highest scores will be selected for interviews. Based on the ranking of the submittals and interviews, the SFPUC will select a proposed tenant for each Grazing Unit with an effort to award the Grazing Leases among the most qualified applicants.

D. SELECTION CRITERIA AND SCORING

For applicants who have met the minimum qualifications, the SFPUC will evaluate the received proposals based on the following criteria and point scale. Qualifications will be evaluated by the submission package, and the final applicants will be evaluated by interview.

SECTION	SCORE (available points)
Introduction	
Cover Page (See Appendix G, Introduction, Section A.)	*No points awarded, but if the applicant does not provide complete responsive information, the applicant's proposal will not be eligible for further consideration.
Table of Contents (See Appendix G, Introduction, Section B)	*No points awarded, but if the applicant does not provide complete responsive information, the applicant's proposal will not be eligible for further consideration.
I. Business Information	
Business Summary (See Appendix G, Section I. A)	*No points awarded, but if the applicant does not provide complete responsive information, the applicant's proposal will not be eligible for further consideration.
List of References (See Appendix G, Section I. B)	10
Financial Statement (See Appendix G, Section I. C) <ul style="list-style-type: none"> Financial Capacity (if selected for an interview, the applicant must bring the information to the interview required by Appendix G, Section I. D. The SFPUC will return the information the same day). 	20
Proof of Insurance (See Appendix G, Section I. E)	*No points awarded, but if the applicant does not provide complete responsive information, the applicant's proposal will not be eligible for further consideration.
Acceptance of Grazing Lease Terms (See Appendix G, Section I. E)	*No points awarded, but if the applicant does not submit a signed Appendix I, the applicant's proposal will not be eligible for further consideration.
II. Experience	
Livestock Operating Experience Management Practices (See Appendix G, Section II. A)	25
Grazing for Resource Management (See Appendix G, Section II. B)	25
Rangeland Monitoring (See Appendix G, Section II. C)	5
III. Employee Staffing and Operation	
(See Appendix G, Section III. A)	15
Total Available Written Proposal Points	100

E. REJECTION OF PROPOSAL(S)

The SFPUC, in its sole discretion, may waive minor informalities or irregularities in any and/or all proposals. Furthermore, the SFPUC retains the right to reject any and all proposals and/or cancel this solicitation for proposals at any time. If the solicitation for proposals is canceled, any applicant that has submitted a proposal will be notified within 48 hours.

Any false, incomplete, or unresponsive statements in connection with a proposal may be cause for its rejection at the SFPUC's discretion. Any judgment as to the significance of any falsity, incompleteness, or unresponsiveness associated with a proposal will be the prerogative of the SFPUC, and its judgment will be final. An applicant has the right to withdraw from the process at any time up until the applicant has executed a Grazing Lease(s). Any withdrawal of an already-submitted proposal will disqualify an applicant from returning to this Request for Proposals process.

VI. ADDITIONAL INFORMATION

A. LEASE AWARD

The Grazing Leases will be awarded to successful applicants. After an applicant executes the Grazing Lease, the Grazing Lease will be subject to approval by the SFPUC. If a successful applicant fails to execute the Grazing Lease within 10 days of the delivery of the final Lease, the SFPUC will have the right to enter into the Grazing Lease with the next highest-ranked applicant that expressed a preference for that Grazing Unit.

If the successful applicant fails to commence operations within 60 days after Lease approval and execution by the SFPUC, the SFPUC will have the right to immediately terminate the Grazing Lease and enter into a Lease with the next highest-ranked applicant.

B. INVITATION TO SUBMIT PROPOSALS; NO OBLIGATION BY SFPUC TO CONTRACT

This Request for Proposals is only an invitation to submit proposals and does not commit the SFPUC in any way to enter into a Grazing Lease or any agreement with any applicant. In addition, the issuance of this Request for Proposals does not obligate the SFPUC to pay for or reimburse any costs whatsoever incurred by anyone in connection with this Request for Proposals, including, without limitation, (a) the preparation and presentation of documents, (b) any supplements or modifications of this Request for Proposals, or (c) discussions with the City or other parties arising out of or relating to this Request for Proposals or the subject matter of this Request for Proposals.

C. RESERVATION OF RIGHTS BY CITY

The City expressly reserves the right at any time and from time to time, and for its own convenience, in its sole discretion, to do any or all of the following:

1. Waive or correct any defect or technical error in any proposal or procedure, as part of the Request for Proposals or any subsequent negotiation process;
2. Reject any and all proposals, without indicating any reason for such rejection;
3. Rescind or reissue a Request for Proposals;
4. Select a tenant by any other means typically used by the SFPUC in accordance with law;
5. Modify the selection procedure with appropriate notice if it directly impacts any applicant;
and
6. Extend deadlines for accepting proposals, or request amendments to proposals after expiration of deadlines, by notifying each applicant of such a change.

D. SUNSHINE ORDINANCE

Under San Francisco Administrative Code Section 67.24(e), applicants' bids, responses to Request for Proposals, and all other records of communications between the City and persons or firms seeking contracts will be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person's or entity's net worth or other proprietary financial data submitted for qualification for a contract or other benefits until and unless that person or entity is awarded the contract or benefit. Information provided that is covered by this paragraph will be made available to the public upon request.

If the applicant believes that certain information is exempt from public disclosure, the applicant may mark that information as "CONFIDENTIAL" or "PROPRIETARY". The SFPUC will endeavor to notify the applicable applicant if any information is requested under and/or provided by the SFPUC under the Sunshine Ordinance.

E. RETURN OF MATERIALS

The SFPUC will not return documents or any information submitted in connection with a proposal unless the applicant has properly designated financial portions of the proposal as confidential at the time of submittal, according to the terms above, and has then clearly requested that such information be returned, and provided that the City is legally permitted to return such documents. If a return is requested, please include a prepaid envelope with return information or a label, and complete postage.

F. LEASE APPROVALS

The Grazing Leases will require the approval and signature of the SFPUC General Manager, in consultation with the Office of the City Attorney.

G. APPROVED VENDOR OF THE CITY; CONTRACT MONITORING DIVISION ("CMD") CERTIFICATION

After the lease award but before the SFPUC executes each Grazing Lease, each selected applicant must be certified by the City's Contract Monitoring Division ("CMD") to comply with Chapter 12B of the San Francisco Administrative Code, including certification of compliance with the City's Nondiscrimination in Benefits ("Domestic Partners Benefits") Ordinance. In order to obtain such certification, the applicant must submit to CMD a "Chapter 12B: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101). Additional information can be found at: <https://businessportal.sfgov.org/grow/city-contracts/vendor>.

H. CITY CONTRACTING REQUIREMENTS

Each tenant will be required to comply with all applicable City contracting requirements, including, without limitation, requirements for licensees of City property as included in the Grazing Lease, the City's Domestic Partners Benefits Ordinance, Minimum Compensation Ordinance, Health Care Accountability Ordinance, First Source Hiring Program, and Conflict of Interest Ordinance. Information on certain applicable City contracting requirements can be found at: <http://sfgsa.org/index.aspx?page=5199>.

I. MISCELLANEOUS REQUIREMENTS

All applicants must comply with the conditions, requirements, and specifications contained in this Request for Proposals, with any departure constituting sufficient cause for rejection of the proposal, subject to the City's discretion.

All proposals must be firm for a minimum period of 90 days following the opening of the proposals.

END OF DOCUMENT

APPENDIX A

MAP OF SFPUC GRAZING UNITS WITHIN THE ALAMEDA CREEK WATERSHED

(Available on RFP website at sfpuc.gov/grazing-leases)

APPENDIX B

CATTLE GRAZING LEASE TEMPLATE

(Available on RFP website at sfpuc.gov/grazing-leases)

APPENDIX C

ALAMEDA CREEK WATERSHED RANGELAND MANAGEMENT PLAN

(Available on RFP website at sfpuc.gov/grazing-leases)

APPENDIX D

INDIVIDUAL GRAZING UNIT MAPS

(Available on RFP website at sfpuc.gov/grazing-leases)

APPENDIX E

GRAZING UNIT MANAGEMENT PLANS

(Available on RFP website at sfpuc.gov/grazing-leases)

APPENDIX F

ANIMAL UNIT MONTH (AUM) PRICING INDEX

(See SFPUC Grazing Lease Template available on RFP website at sfpuc.gov/grazing-leases)

APPENDIX G

SUBMITTAL REQUIREMENTS

REQUIREMENTS AND SUBMITTAL FORMAT:

An applicant must provide the information required by this Appendix G. The applicant must label each section of the proposal and separate it from other sections by a single blank page. The proposal should be organized in the following format and order and must contain all items listed below.

INTRODUCTION

A. COVER LETTER

The proposal must include a cover letter containing the following information:

1. Identification of the Grazing Units sought to be leased, in order of preference.
2. Identification of the submitting applicant. State if the proposal is being submitted as a joint venture, partnership, and/or other entity other than an individual. Include a description of the ownership structure, including the names of individual partners, officers, members, investors, and/or officers.
3. Identification of the full name, title, and contact information (telephone number, physical address, email address, and fax number) of:
 - a. The person authorized, on behalf of the organization, as the contact for clarification
 - b. The representative authorized, on behalf of the organization, to negotiate the Grazing Lease
 - c. The representative authorized, on behalf of the organization, to legally obligate the organization
4. Identification of any and all sections of the proposal that contain confidential information.

B. TABLE OF CONTENTS

The proposal must include a Table of Contents that lists each section and subsection of the proposal and the corresponding page number(s).

SECTION I: BUSINESS INFORMATION

A. BUSINESS SUMMARY (maximum of two pages)

The proposal must include a Statement of Experience, briefly describing the applicant's relevant experience and success managing cattle and/or other livestock for natural resources management, on public lands, and/or on lands similar in topography and vegetation type to the SFPUC's Alameda Creek Watershed properties. In addition, the statement must include the following information:

1. The applicant's business name and addresses (headquarters and other office locations if applicable).
2. A description of the applicant organization's structure, principles, employees, client base, etc., to demonstrate the stability and strength of the business.
3. A description of the applicant organization's agricultural operation, including type/age class of livestock produced, production methods, marketing methods, and additional commodities produced.
4. The applicant's area(s) of specialization and expertise (if applicable).
5. The applicant's length of time managing cattle grazing on (a) publicly owned lands, and (b) private lands.
6. The location and a brief description of facilities within the applicant's ownership or control that directly enhance the applicant's ability to fulfill the terms and conditions of the Grazing Lease and the Rangeland Management Plan.

B. REFERENCE LETTERS

1. The applicant must provide three (3) letters of reference from three (3) different external agencies/clients/advisors who have extensive knowledge of the applicant's cattle grazing operation and are willing to validate the applicant's past performance managing livestock and natural resources on leased and/or owned land. At least one (1) reference letter must be from a past or current public land owner/agency from whom the applicant submitting this proposal has been in a grazing contract or lease in the past three (3) years.

The reference letters must include a description and location of the property the applicant has grazed, the length of time or dates the property was grazed, examples of infrastructure improvements, examples of resource management strategies implemented, and an overall summary of the working relationship. All reference letters must be dated and signed by the author.

2. Before the reference letters, the applicant must include a separate page listing the references, and the following contact information for each reference:

Name of Contact Person

Name of Company/Agency

Applicant's Relationship to Reference

Telephone Number

Physical Address

Email Address

C. FINANCIAL STATEMENT (maximum of two pages)

The applicant must provide a financial statement for each individual who will be a signatory on the Grazing Lease.

The applicant should respond concisely to each of the following questions:

1. In the past 10 years, has the applicant, the applicant's partners, officers, members, and/or the applicant's subcontractors defaulted in the performance of a contract or lease related to the applicant's livestock operation, leading the other party to terminate the applicant's contract? If the answer is "Yes," please offer a detailed explanation.
2. Is the applicant, the applicant's partners, officers, members, and/or subcontractors currently involved in any litigation or bankruptcy proceedings that now or in the future could affect the applicant's ability to pay rent or perform within the terms of the lease? If the answer is "Yes," please offer a detailed explanation.
3. In the past 10 years, have the applicant, the applicant's partners, officers, members, and/or subcontractors had any lawsuits filed against the applicant related to the applicant's livestock operation? If the answer is "Yes," please offer a detailed explanation, including the circumstances, parties involved, and outcome.
4. Does the applicant, the applicant's partners, officers, members, and/or subcontractors have any civil or criminal litigation or investigations pending in relation to livestock and/or agricultural production? If the answer is "Yes," please offer a detailed explanation.

D. FINANCIAL CAPACITY

An applicant must demonstrate the financial resources to undertake this opportunity, including the demonstrated ability to:

- (I) pay the Grazing Lease rent;
- (II) procure the current and ongoing insurance required by the Grazing Lease; and
- (III) hire staff to **(A)** maintain and repair the leased premises, **(B)** make infrastructure improvements as required, and **(C)** operate and manage cattle grazing on the leased premises in a manner that meets the Rangeland Management Plan requirements.

Required Documentation

If selected for an interview, the applicant must provide, at the time of the interview, one (1) copy of written evidence proving the financial ability to purchase livestock, maintain and repair the premises, make necessary infrastructure improvements, provide care for livestock, pay the security deposit, and make timely rent and insurance payments. Written evidence may include certified financial reports or a certified statement of financial condition (balance sheet indicating assets and liabilities). Financial reports must be certified by a certified public accountant (CPA) or certified as true and correct by the chief financial officer of the business, indicated by a date and signature at the bottom of the statement. The SFPUC reserves the right to request a credit

report and additional financial information from each applicant. The SFPUC may review an applicant's financial performance in other projects to determine whether the applicant's other projects have been solvent.

E. PROOF OF INSURANCE:

Applicants submitting a proposal responding to this Request for Proposals must provide a certificate(s) of insurance as written evidence of their ability to meet the City's insurance requirements as stated in Section 21 of the Grazing Lease, as excerpted in Appendix I to this Request for Proposals. In addition to the certificate of insurance, the applicant must provide a letter from an insurance agent documenting the agreement of the applicant's insurance carriers to provide the required insurance and list the SFPUC as an additional insured on the required policies.

F. ACCEPTANCE OF GRAZING LEASE TERMS

By signing the certificate attached as **Appendix H**, the applicant agrees to and accept the terms and conditions of the Grazing Lease attached as **Appendix B**.

SECTION II: EXPERIENCE

**Reminder: Please start a new page when answering a new question*

A. LIVESTOCK OPERATING EXPERIENCE AND MANAGEMENT PRACTICES:

1. The applicant must list each property that the applicant currently maintains for grazing operations (private and publicly owned). For each property, the applicant must include the following information:
 - a. Location
 - b. Size
 - c. Duration of grazing agreement or lease
 - d. Detailed description of rangeland/vegetation types/topography
 - e. Season of use
 - f. Type of livestock grazed (cow/calf, stocker, etc.)
 - g. Name of the landowner
2. The Grazing Lease will require the tenant to perform maintenance and make capital improvements to the infrastructure on leased premises in exchange for certain rental credits. Please describe, in detail, the applicant's ability to perform the following infrastructure work. Please describe similar projects and show examples of infrastructure work the applicant has completed relevant to the applicant's current or past grazing operations (photographic documentation is encouraged). Please date and insert captions for the submitted photographs. Please describe the following (maximum of three pages):
 - a. Ranch road maintenance and repair (grading, culverts, water diversions, etc.)
 - b. New fence/gate installation and repair of existing fences/gates
 - c. Spring development, spring box repair/maintenance, trough repair/maintenance, and water line installation

- d. Pond rehabilitation
 - e. Development, repair, and maintenance of corrals and shipping facilities
 - f. Site cleanup/debris removal
3. Please describe or list all equipment that the applicant owns or has readily available for use that will directly enhance the applicant's livestock operation and the applicant's ability to achieve the desired resource management objectives and infrastructure improvements (tractors, cattle trucks, portable welders, woodchippers, etc.) (maximum of one page).
 4. Please describe livestock herd health protocols that the applicant currently implements, including vaccination programs, de-worming, calving season, and any additional measures implemented to maintain a healthy cow herd. Include any measures implemented to minimize pathogens within the applicant's cow herd (maximum of one page).
 5. Please describe the applicant's approach to supplemental feeding and livestock water, including placement of troughs and supplement, season and type of supplement or forage provided, reason for providing supplement or forage, and the applicant's reasoning for placement of water troughs and/or supplemental feeding locations (maximum of one page).

B. GRAZING FOR RESOURCE MANAGEMENT (maximum of two pages per numbered) question, eight pages total)

**Reminder: Please start a new page when answering a new question.*

1. Please provide a detailed description of the applicant's experience managing cattle grazing operations under a resource management plan to achieve specific resource management objectives or goals.
 - a. Please describe the resource management goals of the applicant's grazing program, including specific species and vegetation management requirements.
 - b. Please describe the applicant's grazing experience and strategies employed in the protection, enhancement, and management of riparian areas.
 - c. Please describe the cattle management techniques the applicant has employed to achieve the resource management goals and observed results (positive or negative), including pasture rotations, timed grazing, water distribution, etc.
2. Please describe the applicant's experience utilizing livestock grazing to manage invasive plant species such as purple starthistle, yellow starthistle, medusa head, barb goat grass, and/or stinkwort. Please describe the grazing methods the applicant employed to reduce invasive plants and the observed results. Please describe additional measures or tools that the applicant has implemented to control invasive plants and the observed results.
3. Please describe the applicant's experience managing sites with soil erosion. Provide examples of erosion control practices the applicant has implemented and results (positive or negative). Please describe the applicant's approach to minimizing soil pathogen transport between grazing units and/or pastures.
4. Please describe management practices the applicant has employed to reduce wildfire hazards and fuel loading on the applicant's grazing leases.
5. Please describe the applicant's experience managing livestock grazing on municipal lands with a focus on protecting water quality.

C. RANGELAND MONITORING (maximum of two pages per question)

**Reminder: Please start a new page when answering a new question.*

1. Please describe the applicant's approach to measuring residual dry matter (RDM) in grasslands. Include examples of RDM monitoring in the past and additional monitoring techniques used to monitor grassland habitats.
2. Please describe the applicant's method for determining range readiness. Please describe the factors or environmental conditions that the applicant considers when determining when cattle should be rotated between pastures or added/removed from the property.
3. Please describe any additional monitoring the applicant has used in the applicant's grazing operation and/or specialized training (water quality, aquatic habitats, forestry, soils, etc.) that would enhance the applicant's ability to monitor natural resources and habitat on the leased premises.

SECTION III: EMPLOYEE STAFFING AND OPERATION (maximum of two pages)

1. Please list all key personnel and employees involved in the applicant's livestock operation, including job title, job description, years of experience, and area(s) of expertise. Include relevant certifications, education, and specialized training if applicable. Indicate who the main point of contact will be for day-to-day operations and describe the best methods for contact and availability.
2. Please describe the need for site presence and how often the applicant and/or employee(s) plan to be on the property. Please describe the applicant's expected presence on the property, as it may vary by season (calving, shipping, construction, etc.).
3. It is extremely important that the tenant livestock operator or employees have the capacity to respond to an emergency (livestock-human conflict, sick or injured livestock, cattle on a roadway, etc.) in a reasonable amount of time. Please describe the availability and expected response time (minimum and maximum response time) of the applicant or the applicant's employees in the event of an emergency.
4. Please indicate how often the applicant will monitor range health conditions in each pasture, and who will be responsible for determining when pasture rotations are necessary. Please describe how the applicant plans to work with the SFPUC's Rangeland Manager to determine range readiness, shipping dates, changes in stocking rate, and pasture rotations. Please indicate the applicant's preferred method(s) of communication.
5. Please indicate whether the applicant has ever worked with the Natural Resources Conservation Service, the Alameda County Resource Conservation District, or the SFPUC, or applied for grant funds to assist in infrastructure improvements relevant to the applicant's livestock operation. Please indicate whether the applicant plans to utilize these services to assist with improvements on SFPUC-leased premises, or whether the applicant would consider these services as an option.

APPENDIX H

APPLICANT'S CERTIFICATE OF ACCURACY

The undersigned represent and warrant to the San Francisco Public Utilities Commission as of the date(s) below as follows:

1. The undersigned person(s) are authorized representatives of the applicant.
2. The person(s) signing below are authorized by the applicant to obligate the applicant to perform the commitments contained in the Proposal.
3. All information submitted by the applicant in the Proposal is complete, accurate, and truthful.
4. Submission of this Proposal constitutes a representation by the applicant that the applicant is willing and able to perform the commitments contained in this Proposal.
5. The submission is subject to all public records laws.
6. The applicant understands and agrees that the SFPUC's issuance of this RFP is not a promise or agreement that the City, through the SFPUC, will actually enter into any Lease.
7. This proposal is tendered without collusion with any other person or entity.
8. The applicant has not paid nor agreed to pay and will not pay or agree to pay any fee or commission, or any other thing of value, contingent on the award of a lease for the premises to any City employee or official, or to any contracting consultant hired by the City for purposes of this solicitation, or to any agent of the City.
9. The applicant has currently paid all applicable business taxes, payroll taxes, sales taxes, and other assessments owed by the applicant, and has filed all necessary tax returns with the United States Internal Revenue Service and the California Franchise Tax Board.
10. The applicant has not been evicted, subject to a financially adverse judgment or settlement payment, or filed for bankruptcy protection within the last ten years.
11. The applicant has read the form of the Grazing Lease, agrees to its terms, and understands and agrees that the terms and conditions will not be negotiated.
12. If the proposal is accepted, the applicant will execute a Grazing Lease for the premises on or before the deadline specified by the City.
13. The applicant understands and accepts all conditions and requirements contained in the Grazing Lease and this Request for Proposal.

(Note: If the applicant is a joint venture or partnership, all joint venturers or partners must sign.)

By _____

By _____

Title _____

Title _____

Date _____

Date _____

Printed Name _____

Printed Name _____

APPENDIX I

TENANT INSURANCE REQUIREMENTS

An applicant submitting a proposal responding to this Request for Proposals must provide a certificate(s) of insurance as written evidence of their ability to meet the SFPUC's minimum insurance requirements in accordance with Section 21 of the Grazing Lease Template. Please review Section 21 of the attached Cattle Grazing Lease template for the full insurance requirements. In addition to providing the certificate(s) of insurance, the applicant must provide a letter from its insurance agent documenting the carriers' willingness and ability to provide coverage and name the City and County of San Francisco, its officers, agents, and employees, as additional insureds, as required by Section 21, excepted below:

Section 21 Insurance:

Tenant will procure and maintain throughout the Term of this Lease and pay the cost thereof, insurance in the following amounts and coverages:

(a) Commercial General Liability Insurance. Commercial General or Public Liability Insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for bodily injury and property damage, including contractual liability, independent contractors, broad-form property damage, personal injury, products, and completed operations.

(b) Worker's Compensation Insurance. Worker's Compensation Insurance in statutory amounts, with employer's liability coverage not less than One Million Dollars (\$1,000,000) each accident. Each workers' compensation policy will be endorsed with a waiver of subrogation in favor of the City for all work performed by Tenant and its Agents related to this Lease or the Premises.

(c) Business Automobile Liability. Business Automobile Liability Insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence combined single limit for bodily injury and property damage, including owned and non-owned and hired vehicles as applicable, if Tenant uses or causes to be used any vehicles in connection with its use of the Premises.

(d) Property Insurance. (i) If there are insurable real property improvements on the Premises, then Tenant shall procure and maintain property insurance on such improvements, on an all-risk form for one hundred percent (100%) of the full insurable value of the Premises, including such improvements, with any deductible not to exceed Ten Thousand Dollars (\$10,000) each occurrence. Such insurance shall include Tenant and City as their respective interests may appear. If Tenant performs any Alterations on the Premises, then such Alterations must be covered by Tenant's property insurance and documented to the insurer. (ii) If damage to structures on the Premises will materially impair Tenant's ability to pay rent under this Lease, then Tenant shall further procure and maintain business income (business interruption) insurance and extra expense coverage with coverage amounts that will reimburse Tenant for all direct or indirect loss of income and charges and costs incurred arising out of all perils insured against by Tenant's property insurance coverage, including prevention of, or denial of use of or access to, all or part of the Premises, as a result of those perils. Such insurance shall also cover business interruptions due to failures or interruptions in telecommunications services, strikes, employee lockouts, riots, or other civil commotion. The business income and extra expense coverage shall be issued by the insurer that issues Tenant's all-risk property insurance, shall

provide coverage for no less than twelve (12) months of the loss of income, charges, and costs contemplated under the Lease and shall be carried in amounts necessary to avoid any coinsurance penalty that could apply. (iii) "Full insurable value" (a) means the actual replacement cost of the improvements (excluding foundation and excavation costs but without deduction for physical depreciation) and (b) will be determined at the inception, and each renewal of, policy coverage by the insurer(s) selected and paid by Tenant and reasonably acceptable to City; provided, however, that, at any time, City may ascertain the full insurable value at its own expense, except that if such full insurable value exceeds the value of the then existing amount of insurance coverage procured by Tenant, Tenant shall pay the expense of determining the full insurable value.

(e) Other Insurance. City reserves the right to change amounts and types of insurance as permitted use of the property may change from time to time. City may require Tenant's vendors, contractors, and subcontractors to carry such insurance as City may reasonably deem necessary including naming City as additional insured, and satisfactory evidence of such insurance shall be delivered to City before such vendors, contractors, and subcontractors enter the Premises.

Other general insurance requirements include:

(a) Claims Made Form. Should any of the required insurance be provided under a claims-made form, Tenant shall maintain such coverage continuously throughout the Term and, without lapse, for a period of three (3) years beyond the expiration or termination of this Lease, to the effect that, should occurrences during the Term give rise to claims made after expiration or termination of this Lease, such claims shall be covered by such claims-made policies.

(b) Limit Requirement. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general aggregate limit will double the occurrence or claims limits specified above.

(c) Requirements. All liability insurance policies will be endorsed to provide the following:

(i) Name the City and County of San Francisco, its officers, agents, and employees, as additional insureds, as their respective interests may appear hereunder.

(ii) That such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of this Lease, and that insurance applies separately to each insured against whom claim is made, or suit is brought, except with respect to the insurer's limit of liability.

(iii) All insurance policies required to be maintained by Tenant hereunder will be endorsed to provide thirty (30) days' prior written notice of cancellation for any reason, intended non-renewal, or reduction in coverage to both Tenant and City. Notice to City will be mailed to the address(es) for City set forth in the Basic Lease Information.

1.1 Proof of Insurance

Tenant will deliver to City certificates of insurance and additional insured policy endorsement from insurers in a form satisfactory to City, evidencing the coverages required hereunder, on or before the Commencement Date, together with complete copies of the policies promptly upon City's request, and Tenant will provide City with certificates or policies thereafter at least thirty (30) days before the expiration dates of expiring policies. In the event Tenant will fail to procure such

insurance, or to deliver such policies or certificates, City may, at its option, procure the same for the account of Tenant, and the cost thereof will be paid to City within five (5) days after delivery to Tenant of bills therefor.

1.2 Review of Insurance Requirements

Tenant and City will periodically review the limits and types of insurance carried pursuant to this Section. If the general commercial practice in the City and County of San Francisco is to carry liability insurance in an amount or coverage materially greater than the amount or coverage then being carried by Tenant with respect to risks comparable to those associated with the Premises, then, at City's option, Tenant will increase at its sole cost the amounts or coverages carried by Tenant to conform to such general commercial practice.