

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:
Prepared on: 5/17/00
Department Name: Public Works
Department No.: 054
Agenda Date: 6/15/04
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Phillip M. Demery, Director
Public Works Department

STAFF CONTACT: Mark Schleich, Deputy Director, ext. 3603
Leslie Wells, Program Manager, ext. 3611

SUBJECT: Baron Ranch Management Contract
Third Supervisorial District

Recommendation(s):

That the Board of Supervisors:

- A. Approve and execute Amendment No. 1 to the Contract with Ag Land Services for management of the Baron Ranch, extending the contract for a period of two years from July 1, 2004 to June 30, 2006, in the amount of \$348,000 for a total contract in the amount of \$650,400.

Alignment with Board Strategic Plan:

The Recommendations are primarily aligned with a safe and healthy community in which to live, work, and visit.

Executive Summary and Discussion:

The County purchased the Baron Ranch in 1991 primarily to serve as a buffer to the Tajiguas Landfill, located in the canyon immediately to the west of Baron Ranch. Located approximately 30 miles west of Santa Barbara, Baron Ranch is a working avocado and cherimoya ranch. The County has managed the property with the following long-range goals in mind; maximizing net-revenue to offset the purchase, maximizing long-term agricultural productivity, and incorporating agricultural best management practices.

In March 1997 the County went through a competitive process to identify a qualified agricultural management company to manage the Ranch. Ag Land Services was identified as the most qualified applicant, and in May 1997 the County entered into a one-year contract with Ag Land Services for management of the property. That initial contract was amended in June 1998 for two years, and again in

June 2000 for an additional two years. At that time, your Board directed staff to put the management contract back out to bid in Spring 2002.

In March 2002, a Request For Proposals was sent to some 17 potential management firms. Three proposals were received in response, and a review panel consisting of Public Works (Solid Waste), and General Services (Real Property) staff, and Mr. George Goodall, a retired UC cooperative farm advisor with 40 years of experience in avocado and semi-tropical fruit, reviewed and evaluated the proposals. Criteria included prior experience managing avocado and cherimoya, including pollination, pruning and fertilization, management of irrigation systems, experience with weed and pest management, experience with long-term ranch management planning, the harvesting and marketing of avocado and cherimoya, cost control, utilization of best management practices, and favorable references. Based on the results of the review, staff recommended that the County renew its contract with Ag Land Services. Your Board endorsed that recommendation on June 25, 2002. Staff is now recommending that the first of two possible two-year contract extensions be approved, for a total contract term of July 1, 2002 to June 30, 2006.

This amendment provides provisions for all cultural costs related to the avocado and cherimoya, including irrigation maintenance, parts and supervision, fertilization, pruning and thinning of the groves, weed and rodent control, erosion control measures, road maintenance, and coordination and supervision of harvesting for the two-year period FY 2004/2005 – 2005/2006.

Mandates and Service Levels:

No change in programs or service level are anticipated at this time.

Fiscal and Facilities Impacts:

Contract amount is not to exceed \$348,000 for the two-year amendment. The increase over the prior two-year period (FY 2002/03 – FY 2003/04) is due to an increase in management fees, equipment & materials. Crop revenue for the period FY 2004/05 to FY 2005/06 is projected to be approximately \$700,000.00 and will be used to offset the cost of management, and purchase of the property.

Budget Year	Management Contract
2002/03	\$144,000.00
2003/04	\$158,400.00
2004/05	\$169,500.00
2005/06	\$178,500.00
Total	\$650,400.00

Special Instructions:

Please provide the minute order, a signed and dated copy of the Amendment and the second original copy of the Amendment, if approved, to the Public Works Department, Solid Waste and Utilities Division, attention Leslie Wells.

Concurrence

Auditor-Controller, County Counsel, and Risk Manager.

FIRST AMENDMENT TO AGREEMENT
FOR MANAGEMENT OF BARON RANCH

THIS AMENDMENT TO AN AGREEMENT is entered into by and between the:

COUNTY OF SANTA BARBARA, CALIFORNIA
hereinafter referred to as "COUNTY", AND

AG LAND SERVICES, INC.,
hereinafter referred to as "CONTRACTOR",

WHEREAS, COUNTY and CONTRACTOR have an existing Agreement dated June 25, 2002 for the management of Baron Ranch;

NOW, THEREFORE, IT IS AGREED as follows:

1. The Agreement is amended by replacing Section 4 as follows:

4. **TERM.** CONTRACTOR shall commence performance on July 1st, 2002 and end performance upon completion, but no later than June 30, 2006 unless otherwise directed by COUNTY or unless earlier terminated.

2. The Agreement is amended to replace Paragraph A, of EXHIBIT B, PAYMENT ARRANGEMENTS as follows:

A. For CONTRACTOR services to be rendered under this contract, CONTRACTOR shall be paid, including cost reimbursements, the base fee not to exceed not to exceed \$650,400.00.

3. The Agreement is amended by replacing attachment B-1 as follows: [see attached B-1, including budgets for fiscal years 2002/03, 2003/04, 2004/05 and 2005/06.]

4. Except as provided herein, said Agreement shall continue in full force and effect.

Amendment to Agreement for Services of Independent Contractor between the **County of Santa Barbara and Ag Land Services.**

IN WITNESS WHEREOF, the parties have executed this Amendment to be effective on the date executed by COUNTY.

COUNTY OF SANTA BARBARA

By: _____
Chair, Board of Supervisors

Date: _____

ATTEST:
MICHAEL F. BROWN
CLERK OF THE BOARD

AG LAND SERVICES
PRESIDENT

By: _____
Deputy

By: _____
Taxpayer ID No. 77-0236280

APPROVED AS TO FORM:
FORM:
STEPHEN SHANE STARK
COUNTY COUNSEL

APPROVED AS TO ACCOUNTING

ROBERT W GEIS, CPA
AUDITOR-CONTROLLER

By: _____
Deputy County Counsel

By: _____
Deputy

APPROVED AS TO FORM:
JOHN FORNER,
RISK MANAGER

By: _____
Risk Manager

**Baron Ranch
2004-05 BUDGET**

<u>Description</u>	<u>Annual 12 Month</u>
Management Fee	\$ 18,000
Supervision	\$ 9,200
Irrigation Labor & Materials	\$ 40,400
Ranching Equipment & Implements	\$ 13,900
Fertilization Labor, Equipment & Materials (includes hand pollination for Cherimoyas)	\$ 33,500
Pesticide Labor, Equipment & Materials (does not include thrip spray)*	\$ 4,600
Herbicide Labor, Equipment & Materials	\$ 34,700
Repair & Maintenance -	
General	\$ 3,500
Irrigation	\$ 2,300
Drainage	\$ 2,400
Orchard & Tree Maintenance	<u>\$ 7,000</u>
TOTAL	\$169,500

*If a thrip spray is needed the cost is approximately \$200.00 per acre.

**Baron Ranch
2005-06 BUDGET**

<u>Description</u>	<u>Annual 12 Month</u>
Management Fee	\$ 18,000
Supervision	\$ 9,800
Irrigation Labor & Materials	\$ 42,800
Fertilization Labor, Equipment & Materials (includes hand pollination for Cherimoyas)	\$ 35,500
Ranching Equipment & Implements	\$ 14,700
Pesticide Labor, Equipment & Materials (does not include thrip spray)*	\$ 4,900
Herbicide Labor, Equipment & Materials	\$ 36,800
Repair & Maintenance -	
General	\$ 3,700
Irrigation	\$ 2,400
Roads & Drainage	\$ 2,500
Orchard & Tree Maintenance	<u>\$ 7,400</u>
TOTAL	\$178,500

*If a thrip spray is needed the cost is approximately \$200.00 per acre.

Summary Form: Contract Number: BC03037 - - - -

Complete data below, print, obtain signature of authorized departmental representative, and submit this form (and attachments) to the Clerk of the Board (>\$25,000) or Purchasing (£\$25,000). See also "Contracts for Services" policy. Form not applicable to revenue contracts.

D1. Fiscal Year: FY 02/03, 03/04, 04/05, 05/06
D2. Budget Unit Number (plus -Ship/-Bill codes in paren's): 8810
D3. Requisition Number.....:
D4. Department Name.....: Public Works Department
D5. Contact Person.....: Leslie Wells
D6. Phone.....: (805) 882-3617

K1. Contract Type (check one): Personal Service Capital Project/Construction
K2. Brief Summary of Contract Description/Purpose : Ranch Management
K3. Original Contract Amount.....: \$302,400
K4. Contract Begin Date.....: 7/1/02
K5. Original Contract End Date.....: 6/30/04
K6. Amendment History (leave blank if no prior amendments):
Seq#EffectiveDateThisAmndtAmtCumAmndtToDateNewTotalAmtNewEndDate
Purpose: Ranch Management
First Amendment; 7/1/98;\$348,000 \$0 \$650,400; 6/30/2006
K7. Department Project Number.....:190000

B1. Is this a Board Contract? (Yes/No): yes
B2. Number of Workers Displaced (if any): 0
B3. Number of Competitive Bids (if any).....: NA; bid last year
B4. Lowest Bid Amount (if bid).....: \$
B5. If Board waived bids, show Agenda Date.....:
B6. ... and Agenda Item Number.....: #
B7. Boilerplate Contract Text Unaffected? (Yes / or cite ¶¶): yes

F1. Encumbrance Transaction Code.....: 1701
F2. Current Year Encumbrance Amount.....: \$302,400.00
F3. Fund Number.....: 1930
F4. Department Number.....: 054
F5. Division Number (if applicable).....: 1900
F6. Account Number.....: 7460
F7. Cost Center number (if applicable).....:
F8. Payment Terms.....: Net 30

V1. Vendor Numbers (A=uditor; P=urchasing) ..:
V2. Payee/Contractor Name.....: Lemon Tree Investment Company, Inc., DBA
..... Ag Land Services
V3. Mailing Address.....: P.O. Box 1
V4. City State (two-letter) Zip (include +4 if known) : Somis, CA 93066
V5. Telephone Number.....: (805) 484-1091
V6. Contractor's Federal Tax ID Number (EIN or SSN) : 77-0236280
V7. Contact Person.....: Tom McGrath (805) 484-1091
V8. Workers Comp Insurance Expiration Date: 6/1/99
V9. Liability Insurance Expiration Date[s] (G=enl; P=rofl) : 9/27/98

V10. Professional License Number : #

V11. Verified by (*name of County staff*) :

V12. Company Type (*Check one*): Individual Sole Proprietorship Partnership Corporation

I certify: information complete and accurate; designated funds available; required concurrences evidenced on signature page.

Date : Authorized Signature
