

ORDINANCE/RESOLUTION REQUEST

Please email requests to the Mayor's Legislative Team

at MileHighOrdinance@DenverGov.org by **3:00pm on Monday**. Contact the Mayor's Legislative team with questions

Date of Request: **4/24/2023**

Please mark one: Bill Request or Resolution Request

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
 Dedication/Vacation Appropriation/Supplemental DRMC Change
 Other:

2. Title: (Start with *approves, amends, dedicates*, etc., include name of company or contractor and indicate the type of request: grant acceptance, contract execution, contract amendment, municipal code change, supplemental request, etc.)

Amends a lease agreement with Running Creek Ranch, LLC by adding \$0.37 cents per usable acre for a new total of \$8.55 per usable acre and three years for a new end date of 6-15-26 for the purpose of grazing livestock on land owned by the City and County of Denver, located at Gun Club Road and Hampden Avenue in Arapahoe County (ESEQD-202367535-04).

3. Requesting Agency: Department of Public Health & Environment - Division of Environmental Quality

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Agatha Linger	Name: Agatha Linger & Will Fenton
Email: Agatha.Linger@denvergov.org	Email: Agatha.Linger@denvergov.org & william.fenton@denvergov.org
Phone: 720-865-5356	Phone: 720-865-5356 & 720-865-5361

5. General description or background of proposed request. Attach executive summary if more space needed:

Tenant will lease City-owned land in Arapahoe County, near the Denver Arapahoe Disposal Site (DADS) located at Gun Club Road and Hampden Avenue for the purpose of grazing livestock. The benefits to the City from this agreement are reduction in nonnative vegetation and therefore wildfire potential, and tenant provides a deterrent to vandalism. The extension is for a three-year period.

6. City Attorney assigned to this request (if applicable): Lindsay Walton

7. City Council District: NA – DADS is located in Arapahoe County.

8. ****For all contracts, fill out and submit accompanying Key Contract Terms worksheet****

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: _____

Date Entered: _____

Key Contract Terms

Type of Contract: Lease of Real Property

Vendor/Contractor Name: RUNNING CREEK RANCH, LLC

Contract control number: #ESEQD-202367535-04 / ENVHL-201101017-04

Location: 3500 E. Hampden Avenue in Arapahoe County

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** 4th amendment

Contract Term/Duration (for amended contracts, include existing term dates and amended dates):

Existing: 9/11/11 - 6/15/23

Amended: 9/11/11 - 6/15/26

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
<i>(A)</i>	<i>(B)</i>	<i>(A+B)</i>
\$8.18 per usable acre	.37 per usable acre	\$8.55 per usable acre

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
6/15/23	3 years	6/15/26

Scope of work:

Tenant will lease City-owned land near the Denver Arapahoe Disposal Site (DADS) located at Gun Club Road and Hampden Avenue for the purpose of grazing livestock. The benefits to the City from this agreement are reduction in nonnative vegetation and therefore wildfire potential, and tenant provides a deterrent to vandalism. The extension is for a three-year period as allowed by the current contract.

Was this contractor selected by competitive process? If not, why not?

In 2011, the City issued a Request for Proposal (RFP) to lease portions of DADS for grazing purposes. This RFP process only resulted in two bidders and the highest bidder, Running Creek Ranch, LLC (the “Tenant”) was selected. The other bidder had documented issues with the State of Colorado.

Since 2011, the Tenant has been closely coordinating grazing activities with Waste Management (WM), operator of DADS under the Landfill Agreement with the City. Pursuant to the Landfill Agreement, WM has exclusive control of DADS; therefore, WM also has authority to approve and grants access to lease holders. Since the Tenant already has an established and close working relationship with WM, they are uniquely qualified to continue grazing activities at the lease area.

The Tenant also leases adjoining property from the Lowry Environmental Protection/ Cleanup Trust, which provides access to shade and water via Murphy Creek. Additionally, the Tenant has leased 3840 acres from the Colorado State Land Board, two miles east of DADS, for over 20 years. Based on the presence of these additional adjacent and nearby grazing areas, the Tenant is uniquely positioned to periodically move cattle to nearby properties to which prevents overgrazing.

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The benefits to the City from this agreement are reduction in nonnative vegetation and therefore wildfire potential, and tenant provides a deterrent to vandalism. The Tenant continues to be a good steward of the leased property by also successfully maintaining a variety of native grasses which reduces and helps prevent rodent and noxious weed infestations. Additionally, the Tenant has made improvements to the lease area including installation of fencing to accommodate City needs and repairs to site structures.

The grazing period typically ranges from May 1st to September 30th. Continuing to lease to the Tenant ensures continuity of services for the current grazing period.

Finally, competitively bidding the grazing lease would not be economically favorable. The City generates less than \$3,000 per year from this lease. Competitively rebidding this agreement does not economically justify nor cover the City's expenses (i.e., CAO, purchasing, EQ, outside advertising) or WM's review, approval, and coordination efforts to competitively rebid this lease.

Has this contractor provided these services to the City before? Yes No

Source of funds: Revenue Contract; funds provided to City from this contract are deposited to Enterprise Fund 78100)

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): N/A

Who are the subcontractors to this contract? None

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