Submitted By: Rusella Bowes-Johnson

Presentation By: Sean Lanier

Department: Water & Sewer

## **STAFF RECOMMENDATION** (Motion Ready):

Approve 10-year lease agreement with Agri Land & Cattle Co., LLC for the provision of agricultural, hay production, and grazing operations at the Perry Reuse Site with annual revenue in the amount of \$62,000

# OCALA'S RELEVANT STRATEGIC GOALS:

Operational Excellence, Fiscally Sustainable

## **PROOF OF PUBLICATION:**

Bid Released to the Public: 06/17/22

# **BACKGROUND:**

On April 5, 1994, the City of Ocala (City) entered into an Agreement to Perform Agricultural Operations with Perry Cattle Company for the provision of agricultural operations at the Cityowned Perry Reuse Site. Perry Reuse Site is a slow-rate land application site utilized by the City for the purpose of beneficially recycling reclaimed water produced by Water Reclamation Facility No. 2. At the site, the City irrigates approximately 604 acres of pastureland with center pivot irrigators and fixed gun-type sprinklers.

Perry Cattle Company provided the City with notice of its intent to terminate the Agreement to Perform Agricultural Operations on December 6, 2021. Continued agricultural management and cropping operations at the Perry Reuse Site are necessary to remove nutrients (primarily nitrogen and phosphorus) from the reclaimed water as it percolates through the soil profile.

On June 17, 2022, the City issued Request for Proposals WRS/220439 (the "RFP") seeking qualified firms to lease the Perry Reuse Site for the provision of agricultural, hay production and grazing operations. The City received five responsive proposals to the RFP. The proposal submitted by Agri Land & Cattle Co., LLC yielded the highest revenue amount at \$62,000.60 per year and Agri Land & Cattle Co., LLC was selected for award.

Bidder Name	Office Location	Total Bid Amount	
Agri Land & Cattle Co.	Ocala, FL	\$	62,000.60
Rudnianyn Farms, LLC	Salt Springs, FL	\$	55,640.48
LeFils Farms, LLC	Sparr, FL	\$	36,995.00
H2 Cattle, LLC	Ft. Meade, FL	\$	36,934.60
GRD Ag Service	Oxford, FL	\$	36,240.00

# FINDINGS AND CONCLUSIONS:

The Lease Agreement will be for an initial term of 10 years with two optional five-year renewal terms. The City reserves the right to renegotiate the annual rental fee at the point of renewal.

Staff recommends approval of lease with Agri Land & Cattle Co., LLC. The site parcel number is 37517-000-00.

# FISCAL IMPACT:

Annual revenue of \$62,000.60 will be accounted for in revenue account #455-362-000-000-02-36201.

# **PROCUREMENT REVIEW:**

These services were procured in compliance with the City's Procurement Policy.

## **LEGAL REVIEW:**

The Lease Agreement will be reviewed and approved for form and legality by the City Attorney, Robert W. Batsel, Jr.

## **ALTERNATIVE:**

Approve Deny Table