



County of Monterey

Item No.17

Board Report

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

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Staff update on the new Grazing Lease Cycle for November 2026.

SUMMARY/DISCUSSION:

The Monterey County Water Resources Agency receives an update on the new Grazing Lease cycle for November 2026.

Background

The Monterey County Water Resources Agency (Agency) manages a livestock grazing program on some of its properties in and around Nacimiento and San Antonio Reservoirs. The Agency administers eight grazing leases. The previous seven year lease terms have expired and the Agency has chosen to implement holdover language in the leases until October 31, 2026. Prior to October 31st, the leases will be made available to the public through a formal solicitation process.

The grazing program, which began in the 1960s, currently covers a total of 16,400 acres, including approximately 10,300 acres above the high-water mark. Cattle grazing is one of the land management tools the Agency uses to achieve goals such as protecting lands and preserving open space around the Nacimiento and San Antonio Reservoirs.

Summary

The Agency has revised and updated the current lease agreement to clarify previously unclear provisions and to streamline the associated terms and conditions. Some of the proposed updates include, but are not limited to, extending the lease term to ten years; establishing clear processes and guidelines; implementing fees for non-compliance; adding pre-bid qualification requirements; defining overgrazing and undergrazing conditions; reinvesting revenue into property improvements; identifying survey and protection areas; and introducing the Grazing Land Management Plan (GLMP) as a new strategic approach.

Building on these program improvements, the Agency is now preparing for the implementation phase to ensure a smooth transition to the new grazing leases. Several key next steps are required to meet the goal of having new grazing leases in place by November 1, 2026.

First, all relevant information will be made available on the Agency's website, on the Grazing Lease Program page, for potential bidders to review. This will include the lease agreement template, detailed descriptions of each lease, maps of the lease areas, minimum bid amounts, and a pre-qualification checklist. The target is to have all materials posted by the end of May.

To support an informed and competitive bidding process, staff will then work directly with potential bidders by offering site tours and responding to questions. A bidding auction will be held in July, with results to be certified by the Agency's Board of Supervisors in August. Following certification, the transition from existing leases to the new leases will begin, including land inspections, orientation and training for new lessees, and other necessary preparations throughout September and October.

Additional information related to the Grazing Program can be found on the Agency's website and will be updated periodically to reflect the upcoming bid cycle:

<https://www.countyofmonterey.gov/government/government-links/water-resources-agency/programs/grazing-lease-program>

OTHER AGENCY INVOLVEMENT:

FINANCING:

Staff participation in this program is included in the FY2025-26 Adopted Budget and the FY2026-2027 Recommended Budget.

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