



Ruth Lake Community Services District

12200 Mad River Road

P.O. Box 6

Mad River, CA 95552

Telephone: 707-574-6332 Fax: 707-574-6080

Email: ruthlakecsd@yahoo.com Website: www.ruthlakecsd.org

January 17, 2025

Michiko Mares & John Friedenbach, General Manager
Humboldt Bay Municipal Water District
PO Box 95
Eureka, CA 95502-0095

Re: RLCSD Policy 6550 (New)

Dear Michiko and John,

At our January 14, 2025, board meeting the RLCSD board approved Policy 6550 draft, Public Bidding and Sublease Procedures. I would like to request this new policy to be presented at your next board meeting to your board of directors for possible approval.

If you have any questions about the new Policy 6550, please let me know.

Sincerely,

A handwritten signature in cursive script that reads "Caitlin Canale".

Caitlin Canale
General Manager

RUTH LAKE COMMUNITY SERVICES DISTRICT
Policy Handbook

POLICY TITLE: Public Bidding and Sublet Procedures - DRAFT

POLICY NUMBER: 6550

6550.10 PURPOSE:

The purpose of this Public Bidding and Sublet Procedures Policy (this “**Policy**”) is to detail the process by which recreational lots shall be offered to the public when they are made available for sublet as determined and at the sole discretion of the Ruth Lake Community Services District (“**RLCSD**”) Board of Directors (the “**Board**”). No recreational lot shall be offered to the public for sublet unless and until it is determined to be in the best interest of the RLCSD. The Board, in its sole discretion, may alter these procedures as necessary and convenient during the subletting process. Until a recreational lot is sublet to another entity, RLCSD may use the recreational lot for any purpose it deems in furtherance of any authorized or delegated or other inherent power.

6550.20 INTRODUCTION & AUTHORITY:

The lands that surround Ruth Lake are owned by Humboldt Bay Municipal Water District (“**HBMWD**”). In 1964, Humboldt Bay leased much of the lands surrounding Ruth Lake to the County of Trinity, California (the “**1964 Lease**”). Subsequently, in 1966, Trinity County assigned all rights and title to the leasehold to the newly formed RLCSD. RLCSD became responsible for management of those certain lands as determined by the 1964 lease for the following recreational purposes (among others):

- (a) Construction, operation, maintenance, and replacement of boat launching facilities, access and other necessary improvements.
- (b) Construction, operation, maintenance, and replacement of “such other and further recreational facilities, roads and structures as [RLCSD] may deem desirable.”
- (c) “Sublet to tenants of [RLCSD] ground upon which to carry on the activities set forth in (a) and (b) above, provided further, that any such subtenant shall agree in writing to be bound by the terms of these presents.”

Pursuant to the 1964 Lease, RLCSD was delegated the power, authority, and discretion to sublet to tenants those certain recreational lots surrounding Ruth Lake owned by HBMWD. Further, RLCSD was created under Government Code 61000 et seq. (Board of Supervisors Resolution 34-66), and, pursuant to the RLCSD’s general powers as a duly formed community services district, RLCSD “shall have and may exercise all rights and powers, expressed and implied, necessary to carry out the purposes and intent of this division, including, but not limited to, [the

creation of] leasehold interest in the property for the benefit of the district” as granted in California Government Code §61060(d).

6550.30 DETERMINATION OF AVAILABILTY OF RECREATIONAL LOTS:

No recreational lot shall be made available to the public until the Board determines, via formal resolution, that the sublet of those certain recreational lots is in the best interests of RLCSD. Further, said resolution may establish the procedures for which the recreational lots will be made available to the public, either through these procedures, or as directed by the Board. The Board may also establish any minimum bids for each recreational lot. The Board shall have and shall retain full and sole discretion in determining how and when and for what purposes recreational lots are made available to the public for sublet. All sublets shall be made pursuant to the current form sublease in use and shall be for a term (number of years) that shall terminate at the same time as the other recreational lot sublease terms. Lastly, the Board shall determine when the sealed bids shall be due to RLCSD and shall not accept any bids delivered past the due date.

6550.40 SEALED BIDDING PROCEDURES:

The sealed bidding procedure for sublet of the recreational lots around Ruth Lake is a method of subletting that employs competitive bids, public opening of bids, and awards. The following generalized steps are involved: (a) Preparation of invitations for bids. Invitations will describe the requirements of RLCSD. The invitation will include all documents (whether attached or incorporated by reference) for prospective applicants for the purpose of bidding. (b) Publicizing the invitation for bids. Invitations will be publicized through reasonable distribution, posting in public places, and such other means as may be appropriate. (c) Submission of bids. Applicants must submit sealed bids to be opened at the time and place stated in the solicitation for the public opening of bids. (d) Evaluation of bids. Bids will be evaluated based on the listed criteria in the invitation for bids. (e) Contract award. After bids are publicly opened, an award will be made with reasonable promptness to that responsible applicant whose bid, conforming to the invitation for bids, will be most advantageous to the RLCSD, considering only price and any other factors included in the invitation.

6550.50 DISTRICT INVITATION FOR BIDS REQUIREMENTS:

Upon determination by the Board that certain recreational lot(s) shall be made available to the public for subletting, staff shall follow the following procedures, absent other direction by the Board. Staff, as directed by the District Manager, has the discretion to proceed as necessary or convenient with any determination on the subletting process that is consistent with this Policy.

Preparation of invitations for bids:

Invitations for bids (“IFB”) must describe the requirements of RLCSD clearly, accurately, and completely. Unnecessarily restrictive specifications or requirements that might unduly limit the number of applicants are prohibited. The IFB shall include all documents (whether attached or incorporated by reference) for prospective applicants for the purpose of bidding. At a minimum each IFB must contain the following listed items (whether attached or incorporated by reference). Beyond the following items, the District Manager has discretion on the full content of the IFB.

- A description of the recreational lot, with a map (if available).
- A copy of the current sublease.
- A description of insurance requirements.
- A reference to the rules and regulations that control the use of the recreational lot.
- Any Board established minimum bid, if applicable.
- Where and when bids will be accepted by RLCSD.
- Any other necessary items RLCSD finds necessary for the applicant

Publicizing the IFB:

IFBs must be publicized through distribution to prospective applicants, posting in public places, or such other means as may be appropriate. Publicizing must occur a sufficient time before public opening of bids to enable prospective applicants to prepare and submit bids. Staff shall at a minimum publicize the IFB in the following ways:

- Each IFB shall be available on RLCSD's website.
- Each IFB shall be advertised in a newspaper of general circulation for two weeks prior to opening of the bids. For the purposes of newspaper advertising, a single advertisement may be used to provide notice of multiple listings and direct prospective applicants to RLCSD's website or its main office for more information.
- Each IFB shall be advertised at RLCSD main office and anywhere else in the community that staff deems useful.

RLCSD, via the District Manager, shall have discretion on how the above requirements are executed and whether each IFB will be advertised in any other form or method. Staff is delegated discretion on any additional advertising method, additional content of the advertisement, and period of time the advertisement is made live.

6550.60 APPLICANT BID REQUIREMENTS:

Bidding on recreational lots shall open on the date of the initial physical posting of the IFB at the RLCSD main office or as indicated in the IFB. Subsequently, bidding shall close as indicated on the IFB. Any applicant that submits a bid outside of these submittal dates shall be disqualified as non-responsive on the applicable recreational lot. Applicants shall follow all rules and regulations established by RLCSD in this Policy the IFB and in other rules and regulations as applicable.

- Only physically mailed or hand-delivered sealed bids from applicants shall be accepted. Emailed or other electronically delivered bids shall not be accepted.
- Even if posted prior to the close of the bidding period, only bids physically received by RLCSD prior to the date and time of the opening of the bids will be considered.
- No bids shall be accepted from any applicant or business owned by an applicant if said applicant is the current holder of a RLCSD sublease and is delinquent or in violation of their sublease or of RLCSD rules or regulations in any way.

- Applicants must submit sealed bids to be opened at the time and place stated in the IFB for the public opening of bids for the bid to be considered responsive.
- Applicants may bid on more than one recreational lot if more than one recreational lot is available for bidding.
- No bid shall be accepted if it is less than any established minimum bid, whether publicly advertised or withheld.
- No bid or applicant shall be accepted or considered responsive if it does not conform to any requirement listed in the IFB.
- All applicants must fully complete the application and bid documents for the bid to be considered responsive.
- Only responsive bids from responsible applicants shall be considered for the award of the recreational lot.
- No applicant shall be going through bankruptcy proceedings at any time during the IFB time period, nor shall any bankruptcy be pending.
- Non-sealed bids shall be considered non-responsive and rejected from consideration.

6550.70 SUFFICIENCY OF BID REQUIREMENTS:

All applicants shall include one of the following forms of bid security with their application for each recreational lot. Any bid application received by RLCSD that does not have a fully secured bid shall be considered non-responsive. Said security provided by the applicant as part of their bid application shall be included under sealed cover:

- A cashier's check made payable to RLCSD for the full amount of the bid.
- A certified check made payable to RLCSD for the full amount of the bid.

Upon an award to the applicant, the security of an unsuccessful applicant shall be returned in a reasonable period of time, but in no event shall that security be held by RLCSD beyond 60 days from the time the bids are open.

6550.80 EVALUATION OF BIDS:

Bids shall be opened at the advertised place, date, and times as listed in the IFB. The opening of the bids may be at a Board meeting (special or regularly scheduled) or at a non-Board meeting officiated by the District Manager. Non-Board meetings, for the purpose of opening the bids, shall be public and follow all applicable Brown Act procedures and at least two staff members and one Board member shall be present at the opening of the bids.

Upon opening of the bids, staff shall determine if the applications and bids are responsive. A responsive application and bid are all of the following: (i) fully completed; (ii) fully compliant with the rules and procedures and requirements of the IFB and RLCSD; (iii) include a bid that is not below the minimum bid, if applicable; (iv) contains an acceptable form of bid security for the full amount of the bid made out to RLCSD; and (v) and any other requirements included in the IFB, this Policy, or other relevant RLCSD procedure, rule, or policy.

Staff shall divide the applications into two categories: (i) Responsive Applications; and (ii) Non-Responsive Applications. Non-Responsive Applications shall not be considered for award of the recreational lot. Staff shall score and summarize all Responsive Applications for the Board based on any listed scoring criteria in the IFB. If ranking is utilized, staff shall rank the applications based on any scoring criteria. Staff shall deliver the summary of the Responsive Applications and all supporting documentation to the Board for their final determinations on the recreational lot subletting process.

6550.90 DETERMINATION OF BOARD:

At the sole and complete discretion of the Board, and without reason, the Board may reject any bids presented and re-advertise or withdraw the recreational lot from the IFB process. The Board retains the discretion to determine based on the information provided by staff if any Responsive Application is both (i) fully responsive; and (ii) awarded a recreational lot based on the bid provided and the criteria listed in the IFB. Any Board determination must be made via resolution.

6550.100 POST AWARD PROCESS:

Upon award of the recreational lot, staff shall inform all applicants on the outcome of the IFB. The supplied bid security for any unsuccessful applicant shall be immediately returned to the applicant at the address supplied. Any award granted by the Board shall be contingent on the successful applicant obtaining fully compliant liability property insurance of \$500,000.00 within 30 calendar days of the Board's determination of award formalized in the resolution and include a pre-approved insurance letter and/or policy. The bid security for the successful applicant shall be immediately deposited by RLCSD upon Board award. If the successful applicant does not obtain fully compliant property insurance for the recreational lot, the successful applicant shall be denied the sublease, forfeit the rights associated with the Board's award, and only be returned 75% of the bid security. The sublease shall only be assigned to the successful applicant when the following are fully secured: (i) fully compliant liability property insurance; and (ii) fully cleared funds deposited in RLCSD's bank account.

Approved By Board of Directors: