

**Minutes of the Regular Meeting of the Board of Directors
July 17, 2014
Location: RCD Office**

Directors present: Jim Reynolds, Barbara Kossy, Dave Holland

Staff present: RCD – Kellyx Nelson, Chelsea Moller

NRCS –

Guests: No guests

1 Call to Order

- Holland called the meeting to order at 6:35 pm.

2 Introduction of Guests and Staff

- No guests were present at the meeting.

3 Public Comment

- Moldovan requested that item 5.1 be pulled from the agenda. Moldovan explained that for the end of the fiscal year, it doesn't make sense to submit financial statements the following month since all of the financial information isn't up to date for the year. Item 5.1 was pulled from the agenda, and will be included on the agenda for the August 2014 Board meeting.

4 Approval of Agenda

- Kossy moved to approve the Agenda and Consent Agenda as amended to exclude Item 5.1, Reynolds seconded. The Agenda and Consent Agenda were approved as amended unanimously.

5 Consent Agenda

5.1 June 2014 Draft Financial Statements

6 Discussion Items

6.1 Directors' Reports

- Reynolds reported that he attended a meeting of the Pescadero Municipal Advisory Committee (PMAC) this month, and that one of the main points of discussion was relocating the fire house.
- Kossy reported that the San Mateo County Weed Management Area (WMA) meeting was yesterday. It was a small group and they were able to have some in depth discussions. Ramona Arechiga volunteered the County Parks Department's sign shop to make signs at cost for the WMA. Kossy reported that at the WMA meeting they discussed ways that they can provide service without having access to funding. They discussed collaborating to provide public education about invasive weeds. Another idea they had was to provide

review for plant lists to ensure that they do not have invasive plants on them. Nelson offered to have Moller share the RCD's coastal San Mateo locally native plant query tool with the WMA for their use and to get their review. Nelson also mentioned that the RCD has completed the Plant Right invasive plant survey of nurseries along Hwy 92.

- Kossy reported that on July 23rd she will give a brief talk at the Midcoast Community Council meeting on invasive plants.

6.2 75th Anniversary Planning

- Glauthier and Holland have not met to discuss this since the previous Board meeting.
- Nelson said that she would like to have a banner designed to celebrate our anniversary as a graphic on the webpage, emails, letterheads, etc.
- Kossy will work on a historic timelines for the anniversary celebration event.
- The Anniversary Planning Committee (Kossy, Reynolds, and Nelson) will meet again soon to move forward on pending anniversary plans.

6.3 Executive Director Report – Kellyx Nelson

- Nelson reported that we have been working to set up project management software. We have talked with consultants that were recommended by the company that makes the software to help us set it up, but their estimate was over \$8,000 so we are going to revisit this with them to see if we can come up with a lower price.

7 Action Items

7.1 Election of Officer

- Glauthier had expressed support for Holland to step in as President.
- Reynolds nominated Holland as President, Kossy seconded. Holland accepted and was elected unanimously.

7.2 Decision Regarding Response to Grand Jury Report on San Mateo County Special District Websites

- Nelson and directors revised the draft response to the grand jury report.
- Holland moved to approve the response as amended, Kossy seconded. The revised response to the Grand Jury report on San Mateo County special districts was approved unanimously (Attachment A).

8 Adjourn

- Holland adjourned the meeting at 7:58 pm.



San Mateo County Resource Conservation District

625 Miramontes Street, Suite 103, Half Moon Bay, CA 94019, 650.712.7765

July 17, 2014

Honorable Lisa A. Novak
Judge of the Superior Court
c/o Charlene Kresevich
Hall of Justice
400 County Center, 2nd Floor
Redwood City, CA 94063-1655

Re: Grand Jury Report: "Partly Cloudy with a Chance of Information: Investigating the Transparency of Independent Special Districts' Websites"

Dear Honorable Lisa A. Novak,

Attached please find the response from the San Mateo County Resource Conservation District to the 2014 Grand Jury report referenced above. The enclosed reply was approved by the Board of Directors at its July 17, 2014 meeting.

Sincerely,

A handwritten signature in cursive script, appearing to read "Kellyx Nelson".

Kellyx Nelson

Executive Director

Attachment A
Response to Grand Jury Report on San Mateo County Special District Websites

Responses to Civil Grand Jury Report: “Partly Cloudy with a Chance of Information”
Approved by San Mateo County Resource Conservation District Board of Directors
July 17, 2014

Background

On May 19, 2014 the San Mateo County Civil Grand Jury (Grand Jury) investigated the utility and transparency of the county’s 23 independent special districts’ websites. The Grand Jury found no violation of laws and no attempt to intentionally obfuscate beneficial information. The Grand Jury did make recommendations for 15 of the 23 districts to improve website access to information regarding finances, staff and Board of Directors’ or Commissioners’ contacts, and Board or Commission minutes. Each of the identified 15 districts, including the San Mateo County Resource Conservation District (RCD), is required to submit comments within 90 days for each finding and recommendation, due no later than August 18, 2014.

General Comments

The Grand Jury’s findings and recommendations are aggregated across the 15 districts and do not indicate to which district(s) any particular finding or recommendation pertains. The Grand Jury also makes recommendations irrespective of districts’ budget, size, or capacity. Appendix G of the report includes a table of San Mateo County property tax revenue earned by each independent special district in FY 2012-13. It is clear that the RCD is in a different financial category from the other districts identified, serving over 157,000 acres of the county with .06% of the property tax revenues, about 67% less than the next highest earning district.

Menlo Park Fire Protection District	\$	34,506,948
Woodside Fire Protection District	\$	15,000,923
Midpeninsula Regional Open Space District	\$	10,303,826
Sequoia Health Care District	\$	9,326,441
Coastside Fire District	\$	8,282,923
San Mateo County Harbor District	\$	5,041,508
Peninsula Health Care District	\$	4,799,396
Mosquito and Vector Control District	\$	2,043,690
Broadmoor Police Protection District	\$	1,331,942
Coastside County Water District	\$	987,307
East Palo Alto Sanitary District	\$	887,826
Granada Sanitary District	\$	737,915
North Coast County Water District	\$	735,563
Colma Fire Protection District	\$	695,774
Montara Water and Sanitary District	\$	606,538
Highlands Recreation District	\$	395,378
Westborough Water District	\$	367,684

Attachment A
Response to Grand Jury Report on San Mateo County Special District Websites

Bayshore Sanitary District	\$	304,559
Los Trancos County Water District	\$	297,566
Mid-Peninsula Water District	\$	233,741
Ladera Recreation District	\$	173,879
Resource Conservation District	\$	57,405
West Bay Sanitary District	\$	-
Total	\$	97,118,733

Our operating base of approximately \$57,000 per year is not sufficient to pay rent, insurance, phones, and a full time staff person. For this reason we are dependent on grants to fund our work. Grants for public entities like RCDs are typically limited to very specific tasks with extreme constraints on the ability to bill overhead. It is not unusual for the RCD to be awarded more than \$500,000 for a restoration project while struggling to pay for simple overhead and items such as web design. Grant-funded staff members must bill their time to specific grant-funded projects. It can be challenging to fund staff time for work that is not directly attributable to a specific grant-funded project.

An additional financial hardship is cash flow. It is not unusual for the RCD to wait up to 9 months to be reimbursed for completed work and expenses funded through State grant programs. Although the RCD's net profit and loss is adequate to cover all expenses approved in the budget, it is often not possible to purchase budgeted services (such as web design) because of the nearly perpetual state of arrears and cash flow problems posed by delayed grant payments. While we may secure millions of dollars for habitat restoration or drought relief for the communities we serve, we have been unable to secure funds to revamp our website, develop a brochure about the RCD and our services, or develop a logo for our 75th anniversary, for example. Our office furniture has been donated, found on Freecycle, or purchased used from Craigslist. Several of our office computers were donated used. As lean as we are, we deliver high quality services to our constituents and have been recognized as District of the Year by the California Association of RCDs.

It is our hope that our response to the Grand Jury report is an opportunity to highlight the financial need of RCDs statewide that are delivering high value programs and essential services in communities throughout California with incredible cost efficiency.

Recommendation to Grand Jury

The Grand Jury report inspired us to consider a searchable database hosted on the website of the California Special Districts Association (CSDA) or SDLF to which districts could upload all of the documents recommended by this Grand Jury as a single portal for public access to information about all districts in the state. It is our recommendation that the Grand Jury make this request of the CSDA and SDLF.

Attachment A
Response to Grand Jury Report on San Mateo County Special District Websites

Responses to Findings

In its report, the grand jury aggregates its findings for the 15 districts into a set of seven findings but does not indicate which finding(s) applies to which district(s). It is difficult to discern which findings pertain specifically to the RCD. The following responses assume that each finding is specific to the RCD.

Grand Jury Finding 1. *Some districts are misinformed about the relative affordability of professionally created websites.*

Response: Disagree. The report suggests that a website could cost as little as \$1,000 to \$9,000. It is noteworthy that \$9,000 is suggested to be affordable when that amount constitutes approximately 16% of the RCD's annual operating base, an amount that is already insufficient for operating needs. RCD staff has done a great deal of research about affordable web design options. Some of the most inexpensive options would enable the RCD to provide the list of documents recommended in the report but would not accomplish other needs and goals of the district for the website, including providing program information, products, and services to our constituents; communicating our vision, and sharing spatial and other data in a user-friendly format. The report does not fully consider the true cost of revamping the web page, including the cost of staff time to develop messages and content, securing images, maintenance, etcetera. Suggesting a website costs as low as \$1,000 is akin to claiming that housing in the Bay Area is affordable because a supplier will sell the lumber for \$10,000. In reality, there are many more costs to building and owning a home as there are with developing and maintaining a website.

Grand Jury Finding 2. *Special districts lack trained in-house staff to regularly update website information.*

Response: Disagree. The RCD has in-house staff who update website information for monthly meetings of the Board of Directors and as needed periodically.

Grand Jury Finding 3. *Privacy concerns of Board of Directors or Commissioners result in a lack of readily accessible contact information.*

Response: Disagree. This is not a concern of the RCD.

Grand Jury Finding 4. *Not all special districts recognize the benefits of transparency delivered through district websites.*

Response: Disagree. The RCD values transparency.

Grand Jury Findings 5-8. *No County [sic] independent special district has completed the District of Distinction program offered by the Special Districts Leadership Foundation (SDLF); No independent special district in the County [sic] has yet earned the SDLF Transparency Certificate of Excellence; Only 2 of 23 independent special districts in the County [sic] have achieved SDLF Recognition in Special District Governance; and No general manager or top management official of any County [sic] independent special district has received SDLF's Special District Administrator Certification.*

Response: Do not know. RCD staff and directors have not applied for an SDLF program, certificate, recognition, or certification but cannot comment on whether or not the other districts have.

Attachment A
Response to Grand Jury Report on San Mateo County Special District Websites

Responses to Recommendations

Similar to its findings, the Grand Jury aggregates its recommendations for the 15 districts but does not indicate which recommendation(s) applies to which district(s).

Grand Jury Recommendation 1. *Each independent special district's website will conform to the accepted criteria listed in the SDLF's transparency checklist on or before May 15, 2015.*

Response: The recommendation will not be implemented. The Grand Jury's recommendation uses standards that were established to recognize excellence and distinction as its baseline. The report does not recognize when districts, including the RCD, meet or exceed legal requirements and include many or most of the items on the checklist. It was not the intent of the SDLF that their meritorious honor of distinction be used to indict districts that are otherwise meeting all legal requirements. The RCD will prioritize our limited resources on delivering cost-effective, high quality programs to our constituents.

Grand Jury Recommendation 2. *By December 31, 2014, independent special districts will consult with professional website developers if in-house staff is incapable of creating and/or managing their website as described above.*

Response: The recommendation will not be implemented. Although website development has been in the approved budget for several years, cash flow challenges due to delayed grant payments (described above) have made it impossible. We cannot be certain that funds will be available by December 31, 2014. The RCD will prioritize our limited resources on delivering cost-effective, high quality programs to our constituents.

Grand Jury Recommendation 3. *Each district will take the necessary steps to keep its website current.*

Response: The recommendation will be partially implemented. We keep our website as current as reasonably possible and will continue to do so.

Grand Jury Recommendations 4-7. *Districts will complete the District of Distinction program offered by SDLF by June 30, 2015; Districts will seek to attain the SDLF Transparency Certificate of Excellence by June 30, 2015; Districts currently lacking staff or board members who have achieved the SDLF's Recognition in Special District Governance will seek the training available under this program by June 30, 2015; and District administrators will seek the SDLF Special District Administrator Certification.*

Response: These recommendations will not be implemented. The staff time, travel costs, ongoing training requirements, preparation of required documents, and application fees cost thousands of dollars and were not affordable even when RCD staff sought scholarships in previous years. With our limited financial resources, the RCD will prioritize delivering cost-effective, high quality services to our constituents.