

**Minutes of the Regular Meeting of the Board of Directors
May 21, 2015
Location: RCD Office**

Directors present: TJ Glauthier, Dave Holland, Barbara Kossy
Staff present: RCD – Renee Moldovan, Kellyx Nelson, Adria Arko
Guests: None

1 Call to Order

- Holland called to order at 6:37pm.

2 Introduction of Guests and Staff

- Kellyx introduced Adria who is the new Program Assistant and Agricultural Ombudsman.

3 Public Comment

- None

4 Approval of Agenda

- Removed April 2015 financial statements from the Consent Agenda because they were not publicly noticed.
- Holland moved approval of Consent Agenda without April financials, Glauthier seconded, unanimous approval of Agenda and Consent Agenda.

5 Consent Agenda

5.1 March 19, 2015 Draft Regular Meeting Minutes

5.2 March 2015 Draft Financial Statements

~~5.3 April 2015 Draft Financial Statements~~

5.4 2014 Leopold Conservation Award Nomination

5.5 Support letter for SB 367

6 Discussion Items

6.1 Directors' Reports

- Kossy reported on the annual “Picnic in the Weeds” event held by the Weed Management Area on a POST property where weed eradication work had been done.
- Kossy and Nelson announced that the next Blue Circle event will be in partnership with UC Cooperative Extension on October 20th, likely from 4-6 pm. The topic will be “The Round Up on RoundUp” to help ensure that people who use RoundUp and/or have concerns about its usage have access to good information and understand each other’s concerns.

- Kossy attended the California Association of Resource Conservation District (CARCD)- Central Coast Region meeting with Nelson in King City on May 7th. She saw some presentations and heard legislative updates. She was especially interested in a presentation by a consultant hired by CARCD to ensure consistent baseline quality across all RCDs so they are a better suited conduit for programs and funding. Kossy would like to see the San Mateo RCD and Nelson help mentor other RCDs that might benefit.
- Holland will soon start working on updating the RCD's human resources plan and personnel policies.
- Holland just recently finished up his work with Peninsula Open Space Trust (POST). The group ended up with 10-12 priorities that they will start working on. He believes he will remain connected with the agricultural projects that the RCD has worked on.

6.2 Statewide Perspective – Kellyx Nelson

- The next CARCD conference is Nov. 18-21 in Yosemite.
- CARCD is working with consultants to design a two-year intensive capacity building program for individual RCDs and for CARCD. It includes three components: helping RCDs comply with standards, to create a resource library, and developing a peer learning network. It is an intensive program. Due to the demands it will place on RCD Executive Directors, there is some funding available so that they can participate at a higher level. The funding is from Bechtel Corporation through Sustainable Conservation.
 - ◆ Included in the Vision and Standards are three tiers. To be in compliance with Tier 1 (lowest) the San Mateo RCD will have to adopt a series of policies. Nelson informed the Board that she will need their help, and their further involvement is welcomed. Nelson explained that there are practices that are followed within the organization, but that they need to be codified.
 - ◆ Nelson also mentioned the need to adopt an annual plan. Glauthier believes that the annual budget should meet the legal requirements for an annual plan.
 - ◆ Directors suggested that the annual budget should include two pages that explains the organization's priorities and a short paragraph stating long term goals (five years out).
 - ◆ Most people see us as tier three, higher functioning. Kellyx says we actually don't meet tier 1. We have to go back to basics. Board will see a lot of new policies in the next few months. Need to codify our standard practices.

6.3 Executive Director Report – Kellyx Nelson

- The group went upstairs to view the new office space.
- Butano Floodplain Restoration- RCD received about \$1 million, primarily from the CA Urban Streams Program, to restore 115 acres of floodplain on Butano Creek on POST property. The project is going to construction next summer. POST is contributing resources as well.
- Staff update- 9 staff (5 full time, with 8 positions filled).
 1. Kellyx Nelson- ED
 2. Renee Moldovan- Finance Director
 3. Unstaffed currently - P/T Bookkeeper
 4. Adria Arko- Program Assistant and Ag Ombudsman
 5. Joe Issel- Natural Resources Specialist (ponds, riparian restoration)
 6. Jarrad Fisher- Conservation Assistant.

7. Hayley Strohm- Conservation Assistant- from La Honda
 8. Irina Kogan- Program Manager (Climate and Sediment)
 9. Brittani Bohlke- Conservation Project Coordinator (water quality, irrigation, domestic water use)
 10. Kathleen Dickey (newly hired and starting soon) - Conservation Project Coordinator (slender false brome weed)
 11. Water Quality Assistant to be filled
- There are several projects going to construction this fall.
 - Fitzgerald Pollution Reduction (FPR) - Improvements at 7- 8 residential properties to capture and filter stormwater runoff on residential properties that drain into the Fitzgerald Marine Reserve to improve water quality. Projects include: rainwater harvesting, rain gardens, vegetated swales, drainage improvements, drought tolerant native plant landscaping. Projects are in the Moss Beach and Montara area). Brittani Bohlke has been working very hard on the project.
 - Gazos Creek rural road improvements are going to construction at Old Womans Creek Road (extremely high priority road for sediment), and decommissioning a ¼ mile driveway on Sempervirens Fund property in the redwoods.
 - Memorial Park Fish Passage Project- We will be removing two barriers to fish passage, restoring unimpeded passage to over 60 miles of spawning and rearing habitat for Coho salmon and steelhead trout.. There were spawning Coho in Pescadero this year and this project will open up some of best habitat.
 - Nelson would like to arrange some sort of field visit for directors soon.
 - There was discussion about the possible El Nino this year and how it would affect the construction. Nelson said that if there are a lot of rains, and early, that the projects will be in trouble. It is further complicated by the fact that the RCD cannot start construction until September. 15 because of marbled murrelets, and must end construction by mid- October because of California red-legged frogs.
 - Repetto Pond is an off-stream storage pond. Phase 1 on his property was irrigation improvements. Phase 2 will enable the farmer to get off the creek in late summer and early fall when flows are critically low.
 - Drought Relief Program- Energy and irrigation audits have been completed on 6 farms and the team has been moving some of them towards implementation.
 - These projects are not going to construction this year because of issues with the delayed IRWMP contract.
 - RCD is hosting a Best Management Practices (BMPs) workshop for hog producers on June 24 with the NRCS, UCCE, Alameda RCD, and an expert from North Carolina on the workshop. More farmers are turning to hogs because they are less capital and get a sooner return than cattle. Hog production has been increasing in the county. These are small, forage/ pasture operations, not industrial feedlots.
 - RCD is hosting a Rural Roads workshop for equipment operators to learn Best Management Practices to reduce sediment into creeks on June 15.
 - Kossy asked for the workshop to cover invasive species because they are often transported on equipment and vehicles.
 - Grenada Community Services District- Per the MOU between the RCD and GCSO, the groups should consult each year before GCSO completes its annual budget. Nelson is working to get in contact with GCSO.

- Integrated Regional Water Management Program (IRWMP)- RCD was awarded funds last March as part of the governor's emergency drought relief program. We still don't have a contract and probably won't until fall. The RCD had to start projects before getting the contract. It is a financial risk. The RCD has stopped plans for construction this summer, except for Repetto, or we might potentially be in arrears for millions of dollars. We won't be able to submit an invoice until Jan 2016, going back to January 2014. We have already done a lot of work; there are RCD staff working almost full time on this project. The RCD will basically be holding debt for 2.5 years on this project. There is some legislation moving forward for prompt payment, but only for projects up to \$1 million, however, the Bay Area won't award projects under \$1 million. The legislation will not help us.
 - Nelson identified several options:
 - ◆ Legislative- Holland and Nelson will go up to Sacramento to explain the situation to Senator Hill and Assemblymember Gordon
 - ◆ Credit- The RCD would have no way to recover the costs of interest.
 - ◆ Program Related Investment (PRI)- These are foundation supported bridge loans with very small or no interest. Typically, RCDs are not eligible because we are not a 501(c)3. POST is considering partnering with the RCD as a fiscal agent for the RCD.
 - Glauthier asked if we can push the process. Nelson explained that she has tried and that it is so long because of the staff time and attorneys and levels of contracting, as DWR does not contract with the individual grant recipients.

6.4 FY 2016 Budget

- Nelson went through the proposed draft FY 2016 budget, which included comparisons to the estimated actual expenses and revenues for FY 2015.
- There was discussion about whether the billing rates were working. Nelson explained that they vary widely from funder to funder. All funders have different requirements and billing rates. For this budget, you are looking at contracts and rates that were agreed upon years ago, and they do not account for increased rates. Nelson said the goal is a model that covers the operating base.
- Glauthier suggested working in an operating reserve somehow to make it easier for cash flow. Moldovan said that was done in FY 2014, and that they used the reserve that was left at the end of the year.
- Glauthier said that the RCD should create a planning approach to plan for possible loss.
- Personnel amounts may change in the future because of the planning work being done regarding benefits and personnel expenses. RCD needs to bring staff salaries up to market value, and there is a cost of living adjustment this year. The extremely high percent of their time people must bill affects morale but we cannot reduce percent time billed in our current business model because we cannot recover that overhead time.
- There was discussion about the ability to recover cost allocation through appropriate billing rates in some grants and contracts, but that other grants have capped rates. There are discrepancies between real overhead and the capped amount.

7 Action Items

- 7.1 Board will consider entering into San Mateo County Weed Management Area 2015 Memorandum of Understanding
- Kossy moved, Glauthier seconds, unanimously approved.
- 7.2 **Resolution 2015-4: Approval to Receive Advance Transfer of Property Tax Revenue Funds from the San Mateo County Controller's Office.** Board will consider approving a Resolution for an advance of San Mateo County property tax funds.

- Glauthier moved, Holland second, unanimously approved.

8 **Adjourn**

- Because of June meeting conflicts for multiple directors, the next meeting has been scheduled for June 24th.
- Meeting adjourned at 8:43 pm.