

Regular Meeting of the Board of Directors
February 20, 2014
6:30 pm – 8:30 pm
Location: RCD Office

1. Call to Order
2. Introduction of Guests and Staff
3. Public Comment- The Board will hear comments on items that are not on the agenda where the Board has jurisdiction. Comments are limited to three minutes per person. The Board cannot take action on an item unless it is an emergency as defined under Government code Sec. 54954.2.
4. Approval of Agenda
5. Consent Agenda 5.1. January 16, 2014 Draft Regular Meeting Minutes 5.2. January 2014 Draft Financial Statement <i>Item was removed from agenda</i>
6. Discussion Items 6.1. San Mateo County RCD 75 th Anniversary Planning 6.2. Statewide Perspective – Kellyx Nelson 6.3. Executive Director Report – Kellyx Nelson
7. Action Items 7.1. Recommend Board approval of updated Operation Agreement with the Natural Resources Conservation Service 7.2. Resolution 2014-01 Agreeing to Participate in the Water Bond Coalition to Develop the Fair and Equitable Distribution of State Water Bond Funds for Projects that Will Benefit the Constituents of the District. 7.3. Resolution 2014-02 Honoring Karen Christensen, RCD of Santa Cruz County
8. Adjourn The next Regular Meeting of the Board of Directors will be March 20, 2014.

Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. The Board has designated the San Mateo RCD office, located at the address above, for the purpose of making those public records available for inspection.

**Minutes of the Regular Meeting of the Board of Directors
February 20, 2014
Location: RCD Office**

Directors present: Barbara Kossy, Neal Kramer, Dave Holland, Jim Reynolds

Staff present: RCD – Kellyx Nelson and Brittani Bohlke

NRCS – None

Guests: Meredith Reynolds

1 Call to Order

- Holland called the meeting to order at 6:33 pm.

2 Introduction of Guests and Staff

3 Public Comment

4 Approval of Agenda

- Nelson removed item 5.2 from the agenda
- Reynolds moved to approve the agenda. Kossy seconded. The agenda was passed unanimously with noted changes.

5 Consent Agenda

5.1 January 16, 2014 Draft Regular Meeting Minutes

~~5.2 January 2014 Draft Financial Statement~~ *item was removed from agenda*

- Reynolds motioned to approve the consent agenda. Kramer seconded. The consent agenda was passed unanimously with noted changes.

6 Discussion Items

6.1 75th Anniversary Planning

- The Farm Bureau annual dinner will be at Mezzaluna on April 10th. This is a great opportunity to recognize the role of the RCD in the farming community over the last 75 years and our formation by farmers.
 - **ACTION: Kossy will contact Farm Bureau about recognizing RCD at the event.**
- Mel Mello Farm Day Luncheon is on March 28th. Bev Miller will get back to Kossy by the March 1st about including presentations of resolutions honoring the RCD by state legislators on the agenda.
- Holland is talking to representatives Hill and Gordon about the resolutions and will work with Nelson to draft language.

- **ACTION: Holland will work with Nelson, Hill, and Gordon for resolutions honoring RCD by State legislature.**
- Kossy made connections with Stanford librarians are interested in local agricultural history. She and Nelson will meet with them soon.
- Keith Mangold, a volunteer, and Joe Issel, staff retrieved RCD historical records that had been stored at former director Louie Figone’s barn. Mangold is reviewing 75 years of meeting minutes for stories, themes, people, projects, etc.
- Kossy has been working with the San Mateo County Fair manager and Bill Gass (Farm Bureau Executive Director) to explore how to highlight the RCD at the County Fair.
- Kossy ordered name badges for directors and staff that say, “Celebrating 75 years” and have the RCD logo for everyone to wear at the various events they attend. They were donated by John Dixon Engineering.
- There was discussion about a party and next steps.
- Others having anniversaries: 100th anniversary for UCCE and 150th anniversary for State Parks.

6.2 Statewide Perspective – Kellyx Nelson

- There are a couple different potential versions for a water bond going through right now. One is AB 1331 by Rendon and the other is the SB 848 by Wolk (identical to the most recent version of SB 42). Wolk’s bill is for 8.25 billion and is not expected to pass.
- Jerry Hill chairs the Senate Environmental Quality Committee.
- Water bond hearings are being held throughout the state.
- We will see what happens with each of these bills, and then the bills will need to be reconciled.
- Almost all of the RCD’s work in recent years has been funded through bonds. Nelson has been trying to diversify revenues since the last bond freeze so that the RCD isn’t in that situation again. We are still very dependent on bonds as foundations and private donors are apprehensive to give to us substantially because we are a public entity.
- Recent bond funding has posed challenges. One of the biggest has been the requirement for labor compliance programs. We’ve asked for the next bond to consider exemptions for small projects. We would also like equitable distribution of funds throughout the state and to ensure that ecosystem restoration is included.
- The RCD has engaged in this process by providing input to the Conservation Strategies Group and Water Bond Coalition. Rich Gordon has requested direct input.
- The work that Nelson, Karen Buhr, and Karen Christensen, and others have been doing to highlight the visibility and strategically position RCD is paying off because \$30 million is currently written in for RCDs, and has been supported so far by broad coalitions. There also could be an additional \$25 million available for agriculture and more money for the Coastal Conservancy.
- Nelson has been working with about 6 coastal RCDs through CARCD to provide feedback to the California Department of Fish and Wildlife (CDFW) about how the Fisheries Restoration Grant Program (FRGP) can better meet shared goals. Overall challenges include

getting feedback, the lengthy review process, no contract amendments to budget or timeline, constrained match and that you can't spend anything until contract is initiated. So you have to anticipate 18 months in advance how everything is going to play out. There is also really restricted cost allocation and overhead so a lot of RCDs are losing money on FRGP grants.

6.3 Executive Director Report – Kellyx Nelson

- Billing rates & reflection of true costs:
 - A significant issue that has come up is billing rates and reflection of true costs. We have found out that we haven't gotten grants because our billing rates were considered high, even when they didn't cover our full true costs. Several funding sources are restricting to 10-15% overhead. How do we respond to requests for help from constituents if we can't get cost allocation? A number of funders balk at billing rates even when they are the true costs. Funding increasingly restricted so that we cannot be nimble in delivering the best projects or services, ultimately resulting in lower quality and often cost overruns because we could not properly plan or adapt.
 - RCD must work on securing base funding from other sources.
 - ◆ **ACTION: Holland will help Nelson request County assistance for base funding.**
 - Directors discussed the need to participate in coalitions to push back and get the issue in front of legislators and the need to work on diversifying funding sources.
 - FRGP overhead constraints do not apply to subcontractors. RCDs have been discussing having other organizations apply for funds and contracting to RCDs us to do the work at true billing rates.
- Nelson reminded directors who have not yet done so to please send the annual appeal to at least two personal contacts. Last year the two largest donations were from personal requests sent by Glauthier and Reynolds. The appeals make a big difference to our overall cash flow.
- Nelson wants to update the RCD's procurement policy that was created in the late 1990's. It says any contract over \$25,000 has to go to the Board and go through the bid process which hampers our ability to get things done in a timely fashion. Nelson thinks this process is unnecessary for such a small amount of money so she wanted to bring it back up again and get feedback. Holland rewrote the County's policy which is now capped at \$100,000. Holland says Nelson should come back with what she thinks the RCD's should be. Nelson said probably along the lines of \$50,000, but the amounts might be different for board approval and the bid process. MROSD and the RCD of Santa Cruz County are good examples, and have language that we could use.
- Nelson informed the group about sea star wasting disease which is occurring along the California coast. It is caused by one or two viruses that make sea stars turn into a jelly-like substance. It is happening to certain populations that can play a very critical role in ecosystem function, and it is happening on an epic scale statewide.
- Nelson will participate in an upcoming "Brews and Views" at Half Moon Bay brewery on the Pillar Point Harbor study.
- The Half Moon Bay Review reported that dogs and cattle are main sources of pollution at Pillar Point Harbor which is not what our study found. Nelson talked to Mark Noack about printing a correction, and Kramer also suggested that the state budget freeze be clarified.

SMC Times, Coastsider and other sources wrote accurate articles related to the Pillar Point Harbor study.

- **ACTION: Nelson resend Kossy the press release and Kossy will try to get it printed in the San Jose Mercury News.**
- Both FRGP grants from last year got funded! Memorial Park Fish Passage and repairs to rural roads in the Gazos Creek watershed. These grants total around \$700,000 in funding.
- Nelson reminded everyone to like us on Facebook: www.facebook.com/sanmateorcd
- We are currently developing four to six water storage projects in lower Pescadero watershed. One of these would involve acquiring a property. Kramer and Holland are on the ad hoc committee of the board looking at the acquisition. Right now the RCD is looking at the potential of the property for water storage, habitat restoration, and other benefits. If it all falls into place it would probably take about 6 months to acquire the property. We will consider the liability to RCD for long-term ownership, costs, funding prospects etc. and if it is an overall good investment. This is part of a larger project for to protect instream flow while improving farmers' drought resilience in the lower Pescadero watershed.
- Kossy was elected chair of San Mateo County Weed Management Area (WMA). On March 12th there will be lobbying at the capitol to refund WMA.
 - **ACTION: Nelson will brief Kossy on our partnership with the San Mateo County Agriculture Commission for weed management.**

7 Action Items

7.1 Recommend Board approval of updated Operation Agreement with the Natural Resources Conservation Service (NRCS)

- Reynolds moved to approve the Operation Agreement, and Kossy seconded. The motion was passed unanimously.

7.2 Resolution 2014-01 Agreeing to Participate in the Water Bond Coalition to Develop the Fair and Equitable Distribution of State Water Bond Funds for Projects that Will Benefit the Constituents of the District

- Kramer moved to approve Resolution 2014-01, and Reynolds seconded. The motion passed unanimously.

7.3 Resolution 2014-02 Honoring Karen Christensen, RCD of Santa Cruz County

- Holland moved to approve Resolution 2014-02, and Kossy seconded. The motion passed unanimously.

8 Adjourn

- The meeting was adjourned at 7:39 pm.