



Meeting of the Board of Directors
August 21, 2008
Location: RCD Office
6:30 pm- 8:30 pm

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. Consent Agenda 4.1. Memorandum entitled, "FY 07/08 Budget Summary." 4.2. June, 2008 Draft Financial Statements 4.3. July, 2008 Draft Financial Statements 4.4. April 21, 2008 letter from County Counsel, "Re: Brown Act Amendment" 4.5. Letter from District Conservationist advising Board of EQIP cancellation for Carpy Conolly Properties General Partnership
5. Discussion Items 5.1. Current status of RCD projects and contracts, including: Critical Coastal Area Pilot Project, Identification and Remediation of Fecal Pollution in Pillar Point Harbor, Pilarcitos Creek Integrated Watershed Management Plan, Apanolio Fish Passage Project, Agricultural Water Quality Project, Community Wildfire Protection Planning, It Takes a Community to Care for a Watershed, and Watershed Discovery Workshop. 5.2. Planning for next Blue Circle. 5.3. Pending funding awards for new projects. 5.4. Discussion of FY 08-09 budget, including proposed draft and next steps. 5.5. CARCD annual conference (November 19-22).
6. Action Items- The Board will hear public comments on each action item before a decision is made. Comments are limited to one minute per person. 6.1. <u>Change of Regular Meeting Time.</u> Recommend Board meet one half hour earlier on regularly scheduled dates at regularly scheduled location.
7. Adjourn

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 below, for the

SAN MATEO COUNTY RESOURCE
CONSERVATION DISTRICT
VOLUNTARY SIGN IN SHEET

DATE OF MEETING: _____

8/21/08

	<u>NAME</u>	<u>EMAIL</u>
1.	Jim REYNOLDS	
2.	ROY STONE	RSBRONCO@aol.com
3.	Kellyn Nelson	
4.	Renee Maldoran	
5.	Rich Allen	
6.	TJ Glawhiew	
7.		
8.		
9.		
10.		
11.		
12.		
13.		
14.		
15.		

Signing, registering, or completion of this document is voluntary, and all persons may attend the meeting regardless of whether a person signs, registers, or completes this document.

SAN MATEO COUNTY RESOURCE CONSERVATION DISTRICT
625 Miramontes Street, Suite 103
Half Moon Bay, CA 94019

Draft Minutes
August 21, 2008
Regular Meeting of the Board of Directors

1. **CALL TO ORDER:** Rich called the meeting to order at 6:30p.m. A quorum was declared present.

2. **INTRODUCTION OF GUESTS and STAFF:**

Directors: Rich Allen, Jim Reynolds, Roxy Stone, TJ Glauthier

Staff: RCD: Kellyx Nelson, Renee Moldovan;

Guests: Ron Sturgeon, Tim Frahm

3. **PUBLIC COMMENT:**

- Ron felt that the prior July Board meeting was not properly noticed when it was cancelled. The fact that no directors appeared, he felt, was evidence of a serial meeting and therefore in violation of the Brown Act.
- Ron wanted to know why the RCD does not have a budget in place for FY 08-09 and said that the RCD should not be able to write checks without the approved budget.
- Ron requested the following items be removed from the Consent Agenda and addressed individually: 4.1, 4.3, 4.4, and 4.5.
- Rich agreed to address each item individually under the regular agenda.
- Ron expressed concern about whether directors understand what the numbers in the budget reflect.
- Ron noted that the letter from Jim Howard should be under correspondence, not the consent agenda.

4. **CONSENT AGENDA:**

All items from the consent agenda were pulled for discussion.

4.1 Memorandum entitled, "FY 07/08 Budget Summary."

Discussion:

- Kellyx reviewed and explained the budget summary.
- TJ felt the document was very straightforward and an accurate statement of the RCD.
- Rich thanked staff for a useful document.

Public Comment:

- Ron asked where the funds came from for two projects.

- Ron wanted the document accepted as a memorandum, not as a document to be adopted.

ACTION: Roxy MOVED to adopt the FY 07/08 Budget Summary. The motion was SECONDED by TJ and CARRIED unanimously.

4.2 June, 2008 Financial Statements.

Public Comment:

- Ron asked clarifying questions, which Renee answered.
- Ron expressed concerns about directors knowing what the numbers reflect in the financial statements.

ACTION: TJ MOVED to adopt the June, 2008 Financial Statements. The motion was SECONDED by Jim Reynolds and CARRIED unanimously.

4.3 July, 2008 Financial Statements.

Discussion:

- The incorrect Profit & Loss statement was posted with the Board packet. Renee provided the correct statement for July.

Public Comment:

- Ron expressed concerns about directors knowing what the numbers reflect in the financial statements.

ACTION: Jim Reynolds MOVED to adopt the July, 2008 Financial Statements. The motion was SECONDED by Roxy Stone and CARRIED unanimously.

4.4 April 21, 2008 letter from County Counsel, "Re: Brown Act Amendment"

Discussion:

- Rich commented that this is not a document we are adopting or voting on.
- Kellyx informed the Board that this is simply a document to inform us.
- TJ said we would in fact follow the recommendations of the County Counsel
- Renee noted that the RCD has been complying with the recommendation for two months.

Public Comment:

- Ron thought that the RCD did not comply with the recommendations, but did not realize that part of a sentence had been cut off the bottom of the agenda.
- Ron informed the Board that this is information the RCD cannot decline to accept.

- It was noted that the RCD has been complying with the recommendation, the Board embraces the recommendation, the agenda item was intended to notify the Board about the change to the Brown Act, and there was no action the Board needed to take.

ACTION: TJ MOVED to accept and embrace the legal counsel. The motion was SECONDED by Jim Reynolds and CARRIED unanimously.

4.5 Letter from District Conservationist advising Board of EQIP cancellation for Carpy Conolly Properties General Partnership

Public Comment:

- Ron felt the letter was mishandled. As there was no action necessary for this letter, it should be on the agenda under correspondence rather than on the consent agenda
- TJ thought that the action was to agree with the cancellation of the contract.
- Renee advised that she and Jim Howard had discussed the process, and determined that it is put before the Board as a courtesy. An EQIP participant may cancel without Board review.

ACTION: Roxy MOVED to accept letter from Jim Howard. The motion was SECONDED by Jim Reynolds and CARRIED unanimously.

5. DISCUSSION ITEMS

5.1 Power Point Presentation of Current RCD Projects

Kellyx Nelson presented the attached PowerPoint, providing an overview and updates of the following projects:

- Critical Coastal Area Pilot Project
- Identification and Remediation of Fecal Pollution in Pillar Point Harbor
- Pilarcitos Creek Integrated Watershed Management Plan
- Pilarcitos Lagoon Habitat Restoration Feasibility Analysis
- Agricultural Water Quality Improvement Project
- Community Wildfire Protection Plan
- It Takes a Community to Care for a Watershed
- Watershed Discovery Workshop
- Blue Circle
 - The next topic will be about watershed groups in San Mateo County, and may include the San Pedro Creek group, Critical Coastal Area, Pilarcitos IWMP, San Gregorio IWMP, and San Francisquito. Possible locations and dates were discussed.
- Livestock and Land Program
 - Ecology Action of Santa Cruz was awarded a grant for their Livestock and Land Program. The RCD will enter into agreement as a subcontractor.
- Current Grant Applications

- The State Water Resources Control Board invited the RCD back to Phase 2 for ASBS Prop 84 implementation funds for additional demonstration projects under the Livestock and Land Program. This is for over \$900,000 .
- The County has been invited back for Phase 2 under the same grant program. They wrote the RCD in as a subcontractor for \$500,000 to implement BMPs.

5.2 Planning for next Blue Circle

This had been discussed during the PowerPoint.

5.3 Pending funding awards for new projects

This had been discussed during the PowerPoint.

5.4 Discussion of FY 08-09 budget, including proposed draft and next steps.

Discussion:

- TJ gave an overview of his meetings with Kellyx and Renee to prepare the budget.
- Kellyx reviewed the proposed budget and asked directors to consider it before the next meeting.
- A final draft budget will be provided for adoption at the next meeting.
- Kellyx and Renee would like to return to annual audits, rather than biannual. This would aid Renee in her check and balances of the RCD financials, and is appropriate since the type of work the RCD does can vary significantly from year to year.
- Kellyx mentioned that the proposed amount for rent was as low based on the assumption that the Board would investigate off-site storage for the RCD.
- Kellyx advised that RCD revenue will continue to come primarily from grants. With some of these grants the RCD is operating at a deficit.
- Staff will bring a cost allocation plan for discussion and approval at the next board meeting.
- Kellyx informed the Board that a Cost Allocation Plan would be on the agenda for the next meeting.

Public Comment:

- Ron felt that it is not allowable to bill a grant for work unrelated to the grant.
- TJ and Kellyx discussed cost allocation of indirect costs as standard practice.

5.5 CARCD annual conference (November 19-22)

- The conference will be in Riverside. Kellyx will be attending this meeting and encouraged board members to attend as well.

6. ACTION ITEMS

- 6.1 Recommend Board meet one half hour earlier on regularly scheduled dated at regularly scheduled location**

DISCUSSION:

Public Comment:

Ron commented that the meeting is for the public and not for staff convenience and he was not in favor of the time change because it coincided with his dinner hour, thereby being less publicly accessible.

Rich recommended trying the new time and, if there is a problem, changing it back.

ACTION: TJ MOVED to change the time of the regularly scheduled meeting. The motion was SECONDED by Jim Reynolds and CARRIED unanimously.

9. ADJOURNMENT

ACTION: The Regular Meeting of the Board of Directors was adjourned at 8:30 p.m.

DRAFT

San Mateo County Resource Conservation District

MEMORANDUM

Date: August 9, 2008
To: Board of Directors
From: Kellyx Nelson
Re: FY 07/08 Budget Summary

This memorandum provides an end of year analysis of the FY 07/08 RCD budget. The overriding messages from our analysis are as follows:

1. The RCD is solvent.
2. With no cash reserve, cash flow remains a challenge to the RCD's fiscal health. The RCD must develop a cash reserve or other access to cash flow to protect our ability to attract contractors, reduce reliance on credit, and pay for overhead and staff salaries.

Profit and Loss

The Profit and Loss sheet shows financial activity, i.e. the movement of funds throughout the year. This financial statement shows a net profit for the fiscal year of \$25,225. When looking at the Balance Sheet, one will see that \$21,795 of that amount is in accounts payable and \$6,164 is in contracts receivable.

Balance Sheet

The Balance Sheet shows that RCD's overall financial position. For FY 07/08 RCD assets (\$1,540,320) were \$92,282 (total equity) greater than RCD liabilities (\$1,447,782). The remaining equity (\$67,056) is retained earnings. The retained earnings combined with the net income totals the \$92,538 total equity. That amount is the positive balance that the RCD is carrying over into the next fiscal year.

Budget Summary

This financial statement shows variance of actual income and expenses from the anticipated budgeted amounts. Variances greater than \$5,000, approximately .3% of the budget, are explained below. "+" indicates that the variance is in the RCD's favor (more revenue than anticipated or less expense than anticipated) and "-" indicates a variance that is not in the RCD's favor (less revenue than anticipated or more expense than anticipated).

Grants and Contracts: (-\$321,819) Some of the anticipated grant earnings were billed in FY06/07, and therefore did not count for 07/08. Other funds that were earned in FY 07/08 were billed in July, and will be paid in 08/09. Staff anticipates that all of the anticipated grant and contract funds will be awarded, whether the actual funds arrive in FY 06/07, 07/08, or 08/09.

Fines and mitigation funds: (+ \$111,287) It became necessary to raise additional funds for the Apanolio and Frenchmans creek fish passage projects. These funds were obtained from a regulatory violator who partnered with the RCD and the Regional Water Quality Control Board to implement a Supplemental Environmental Project.

Personnel (salaries and benefits): (+\$38,511) The full-time Resource Specialist did not start employment as soon as anticipated. The part-time Resource Specialist has worked fewer weekly hours than anticipated. The Executive Director took maternity leave.

Accounting: (+\$5,000) The contracted auditors have not yet billed for their work to complete the biannual audit for fiscal years 05/06 and 06/07.

Rent: (+\$5,300) This projection was intended to allow for higher rent for the RCD to relocate. A new office space was only recently found, and is a small addition to the existing office space in the same location.

Ag Water Quality/Farm Bill: (+\$121,529) Approximately \$31,800 of program expenses were incurred for work in FY 07/08 but were billed in July and therefore do not appear on the budget summary. Many program expenses anticipated for FY 07/08 will be incurred in FY 08/09 due to construction and permitting delays.

Apanolio Fish Passage: (-\$7,264) The project cost more than anticipated. Staff obtained supplemental funding for the additional expenses, including cost overruns for the original project and third party review of the project.

Bear Gulch: (-\$114,598) The project cost more than anticipated and the RCD assumed responsibility for the WHIP contract with the NRCS that had previously been held by the landowners. Staff obtained supplemental funding for the additional expenses.

Frenchmans Creek Fish Passage: (-\$87,818) The project cost more than anticipated. Staff obtained supplemental funding for the additional expenses.

Pilarcitos IWMP: (+\$60,152) These program expenses were incurred at the end of FY 06/07, after the RCD Board approved a budget expecting the expenses to be incurred in 07/08.

Pillar Point Harbor: (+\$191,665) It has been difficult to project when expenses would be incurred on this project. However, the project is meeting contract terms and timelines.

5:26 PM
09/18/08
Accrual Basis

San Mateo County Resource Conservation District
Balance Sheet
As of June 30, 2008

	<u>Jun 30, 08</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Checking RCD 8123985	66,260.58
1004 · Checking Restricted 8121907	10,509.96
1008 · Checking SEP 8129517 (SEP and CalTrans)	73,834.01
Total Checking/Savings	<u>150,604.55</u>
Accounts Receivable	
1110 · Contracts Receivable	6,164.45
Total Accounts Receivable	<u>6,164.45</u>
Total Current Assets	156,769.00
Other Assets	
1620 · Prepaid Expenses (Liability Insurance)	2,195.78
1600 · Long-Term Receivables	1,234,901.46
1610 · Security Deposits	1,300.00
Total Other Assets	<u>1,238,397.24</u>
TOTAL ASSETS	<u><u>1,395,166.24</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
2000 · Accounts Payable	21,795.71
Total Accounts Payable	<u>21,795.71</u>
Other Current Liabilities	
2100 · Payroll Taxes Payable	2,259.12
2105 · Employee Benefits Payable	-834.75
2200 · Deferred Revenue	1,279,664.38
Total Other Current Liabilities	<u>1,281,088.75</u>
Total Current Liabilities	<u>1,302,884.46</u>
Total Liabilities	1,302,884.46
Equity	
3900 · Retained Earnings	67,056.65
Net Income	25,225.13
Total Equity	<u>92,281.78</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,395,166.24</u></u>

5:26 PM

09/18/08

Accrual Basis

San Mateo County Resource Conservation District
Profit & Loss
July 2007 through June 2008

	Jul '07 - Jun 08
Ordinary Income/Expense	
Income	
4010 · Contracts/Grants	958,350.41
4015 · Fines and Mitigation Funds	285,779.00
4020 · Individual Contributions	0.00
4030 · Interest Income	3,756.68
4100 · Misc. Income	80.00
4200 · Property Tax Revenue	51,654.17
4300 · Service Fees	2,775.20
Total Income	1,282,395.46
Expense	
5000 · Personnel	
5010 · Salary	188,440.81
5030 · Salary Tax Expense	15,458.32
5020 · Salary Service Fees	435.63
5040 · Benefits	29,447.01
Total 5000 · Personnel	233,781.77
6020 · Bank Fees	658.15
6060 · Computer Service	150.00
6070 · Communications	
6075 · Internet	743.05
6080 · Telephone	803.18
Total 6070 · Communications	1,546.23
6200 · Discretionary	1,317.35
6400 · Insurance-Liability	2,211.24
6450 · Legal Services	909.00
6500 · Membership, Dues & Subscription	1,336.00
6550 · Mileage	8.00
6650 · Postage and Delivery	32.97
6700 · Printing and Copying	38.97
6750 · Professional Development	558.19
6800 · Public Relations	0.00
6850 · Rent	9,100.00
6900 · Supplies	80.68
6950 · Travel/Accommodations	387.14
7200 · Program Consultant	853,283.08
7500 · Program Expense	151,771.56
Total Expense	1,257,170.33
Net Ordinary Income	25,225.13
Other Income/Expense	
Other Income	
9000 · In-Kind Donations	525.00
Total Other Income	525.00
Other Expense	
9001 · In-Kind Services	525.00
Total Other Expense	525.00
Net Other Income	0.00
Net Income	25,225.13

5:36 PM
09/18/08
Accrual Basis

San Mateo County Resource Conservation District
Balance Sheet
As of July 31, 2009

	<u>Jul 31, 09</u>
ASSETS	
Current Assets	
Checking/Savings	
1000 · Checking RCD 8123985	37,192.50
1004 · Checking Restricted 8121907	10,523.78
1008 · Checking SEP 8129517 (SEP and CalTrans)	39,772.77
Total Checking/Savings	<u>87,489.05</u>
Accounts Receivable	
1110 · Contracts Receivable	30,218.27
Total Accounts Receivable	<u>30,218.27</u>
Total Current Assets	117,707.32
Other Assets	
1620 · Prepaid Expenses (Liability Insurance)	2,012.80
1600 · Long-Term Receivables	1,126,512.12
1610 · Security Deposits	1,300.00
Total Other Assets	<u>1,129,824.92</u>
TOTAL ASSETS	<u>1,247,532.24</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2100 · Payroll Taxes Payable	3,447.53
2200 · Deferred Revenue	1,132,132.54
Total Other Current Liabilities	<u>1,135,580.07</u>
Total Current Liabilities	<u>1,135,580.07</u>
Total Liabilities	1,135,580.07
Equity	
3900 · Retained Earnings	111,952.17
Total Equity	<u>111,952.17</u>
TOTAL LIABILITIES & EQUITY	<u>1,247,532.24</u>

5:34 PM
09/18/08
Accrual Basis

San Mateo County Resource Conservation District
Profit & Loss
July 2008 through July 2009

	<u>Jul '08 - Jul 09</u>
Ordinary Income/Expense	
Income	
4010 · Contracts/Grants	123,291.84
4015 · Fines and Mitigation Funds	34,240.00
4030 · Interest Income	215.32
4200 · Property Tax Revenue	1,914.91
4300 · Service Fees	2,725.00
	<hr/>
Total Income	162,387.07
Expense	
5000 · Personnel	
5010 · Salary	41,535.97
5030 · Salary Tax Expense	3,066.88
5020 · Salary Service Fees	251.28
5040 · Benefits	4,365.48
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Total 5000 · Personnel	49,219.61
6020 · Bank Fees	3.10
6070 · Communications	
6075 · Internet	129.80
6080 · Telephone	129.42
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Total 6070 · Communications	259.22
6200 · Discretionary	91.27
6300 · Equipment & Furniture	43.29
6400 · Insurance-Liability	182.98
6450 · Legal Services	91.50
6650 · Postage and Delivery	2.90
6800 · Public Relations	239.72
6850 · Rent	1,800.00
6900 · Supplies	55.14
7200 · Program Consultant	19,340.89
7500 · Program Expense	71,387.06
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Total Expense	142,716.68
Net Ordinary Income	19,670.39
	<hr/>
Net Income	19,670.39
	<hr/> <hr/>

COUNTY COUNSEL
MICHAEL P. MURPHY

CHIEF DEPUTIES
JOHN C. BEIERS
DEBORAH PENNY BENNETT
BRENDA B. CARLSON



PII

COUNTY COUNSEL
COUNTY OF SAN MATEO

HALL OF JUSTICE AND RECORDS - 6TH FLOOR
400 COUNTY CENTER - REDWOOD CITY, CA 94063-1662
TELEPHONE: (650) 363-4250 FACSIMILE: (650) 363-4034

Please respond to: (650) 363-4753

April 21, 2008

DEPUTIES
KATHRYN E. ALBERTI
REBECCA M. ARCHER
AIMEE B. ARMSBY
CLAIRE A. CUNNINGHAM
PETER K. FINCK
TIMOTHY J. FOX
PORTOR GOLTZ
JUDITH A. HOLIBER
DAVID A. LEVY
GLENN M. LEVY
KIMBERLY A. MARLOW
JOHN D. NIBBELIN
PAUL A. OKADA
DAVID A. SILBERMAN
WILLIAM E. SMITH
MIRUNI SOOSAIPILLAI
V. RAYMOND SWOPE III
LEE A. THOMPSON
EUGENE WHITLOCK
CAROL L. WOODWARD

Kelly Nelson, Executive Director
Resource Conservation District
625 Miramontes Street, Suite 103
Half Moon Bay, CA 94019

Re: Brown Act Amendment

Dear Kelly:

SB 343 amends the Brown Act Amendment effective July 1, 2008. The amendment provides greater public access to *public records* that are distributed in connection with the Board's consideration of any item on the open session portion of an agenda for a regular board meeting.

Under current law, it is challenging to provide public access to documents that are distributed to board members after the 72 hour cutoff that is necessitated by the posting requirement.

Effective July 1, 2008, if a public record that relates to an agenda item for an open session of a regular meeting is distributed less than 72 hours prior to the meeting (i.e., after the agenda is posted), the writing shall be made available for public inspection at the same time it is distributed to all, or a majority of all, of the members of the Board. The documents must be available at a public office or location that the agency shall designate for this purpose. The board is required to list the address of this office or location on the agendas for all board meetings. The board also may post the writing on the local agency's Internet Web site in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting.

Starting with (or before) the agenda for the July 10 Board of Directors meeting, Board agendas should include the location of the place where the public may have access to writings that are submitted after the agenda is posted. For example, the agenda can include the following notation:

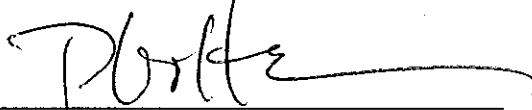
"Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior

Resource Conservation District
April 21, 2008
Page 2

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 office of the _____, located at _____, for the purpose of making those public records available for inspection. The documents are also available on the District's Internet Web site (if any). The website is located at: _____.

If you have any questions, please call me at 650-363-4753.

Very truly yours,
MICHAEL P. MURPHY, COUNTY COUNSEL

By: 
Portor Goltz, Deputy

MPM:PG/mj

L:\CLIENTS_DEPTS\Special District\Resource Conservation\Letter to Nelson re Brown Act.doc



Natural Resources Conservation Service
625 Miramontes Street, Suite 103
Half Moon Bay, CA 94019
Phone (650) 726-4660
Fax (650) 726-0494

Helping People Help the Land

August 15, 2008

Members of the Board of Directors
San Mateo County Resource Conservation District
625 Miramontes Street, Suite 103
Half Moon Bay, CA 94019

RE: Cancellation of 2006 EQIP Contract, Carpy Conolly Properties General Partnership

Dear Board,

I would like to inform you of a request by Carpy Conolly Properties General Partnership to cancel its 2006 Environmental Quality Incentives Program contract. Due to significant financial constraints, Carpy Conolly Properties GP is unable to implement the conservation practices in its contract at this time. I have discussed the situation with Craig Conolly and recommend the NRCS grant his request.

If you have any questions or concerns regarding this action please contact me in private. Due to NRCS privacy policies I am unable to disclose the details of this contract in a public forum.

Thank you.

A handwritten signature in cursive script, appearing to read "Jim Howard".

Jim Howard
District Conservationist
Natural Resources Conservation Service