



DRAFT Minutes of the Regular Meeting of the Board of Directors

Thursday, June 19, 2025

4:00 – 6:00 pm

Location: 80 Stone Pine Road, Suite 100, Half Moon Bay, CA 94019 and via Zoom

Directors: Barbara Kossy, Michelle Weil, Steve Stielstra, Troy Guy (On leave: Adrienne Etherton)

Associate Directors: Zahra Kassam (virtual) (Absent: Denise Phillips, Helen Wolter, John Wade)

RCD staff: Kellyx Nelson, Lau Hodges, Amy Kaeser, Kati McHugh

NRCS staff: none attended

Guests: Krystle Reneer (virtual)

1. Call to Order

Kossy called the meeting to order at 4:15 p.m.

2. Approval of Agenda

- Item 4.1 (DRAFT April Meeting Minutes) was tabled to July.
- **ACTION:** Stielstra motioned to approve agenda as amended, Guy seconded. Motion passed unanimously.

3. Introduction of Guests and Staff

All in attendance introduced themselves.

4. Public Comment

There was no public comment.

5. Consent Agenda

- **ACTION:** Stielstra moved to approve the consent agenda. Guy seconded. Motion passed unanimously.

6. Regular Agenda

6.1. Board will consider approval of Fiscal Year 2026 Draft Financial Budget

- Nelson reviewed the FY'26 draft financial budget in detail. Some discussion focused on the following:
 - The RCD utilizes a zero-based budget (or service-based budget) built from anticipated activities and expenses each year. This is unlike many agencies and organizations whose budget rolls over from year-to-year with adjustments. The overall budget starts from staff entering each project's budget from scratch annually, rather than relying on a previous year as a baseline.

- Program Revenue (contracts, grants, and agreements for directly funded work), is aggregated from staff budgets for individual funded projects, including estimates of work to be done and expenses, billing rates, pass-through costs, and indirect costs if they are not included in billing rates. Projects may have multiple funders with different requirements or restrictions regarding allowable indirect costs and rates.
- An Operating Reserve allocation of \$350,000 would help meet the RCD's goal of increasing a 6-month reserve (the policy is for 3 months). As staffing and expenses grow, the amount needed in the reserve to sustain operations also increases.
- Some changes in category names
 - Agricultural Stewardship: previously Climate Mitigation. Our ag stewardship work encompasses more than climate mitigation, and climate mitigation occurs under other program areas, e.g. forest health and wetland restoration.
 - Water Resources & Conservation: previously Water for Farms Fish and People.
- Nelson reviewed the anticipated outcome of FY'25 compared to the budget.
 - A variance of around 25% is expected in both program expenses and program revenue, as they are typically paired. These reductions were largely due to some projects being delayed a year.
 - Other revenues were 11% higher than budgeted, mostly due to the All You Seed Is Love fundraiser.
 - Net revenues are anticipated to be positive but lower than anticipated, largely due to the deferment of large construction projects and their associated indirect billing.
 - Budgeted allocations to the operating reserve of around \$250,000 were met.
- Nelson compared the proposed FY26 Financial Budget to FY25, including:
 - Personnel costs increased significantly, from \$2.9 million to nearly \$4 million, due in part to staff expansion and cost of living adjustments.
 - With a \$20 million budget, relatively small percentages could translate to significant dollar fluctuations.
- Nelson noted that the RCD is entering the fiscal year in a strong cash position, with approximately \$8 million on hand and a healthy accounts payable-to-receivable ratio.
- Discussion included:
 - Budgeted net of \$2,500 is low but not of great concern; salaries are consistent regardless of grant billing rates; methods for budgeting salary and indirect for multi-year grants; significant level of effort for zero-based budgeting, which is more common for consulting firms than government agencies and requires skilled project staff with deep understanding of associated budget components; staff's active engagement in administrative aspects of the organization and commitment to organizational efficiency.

- Unlike other public employees, RCD does not have a CalPERS or pension program. Instead, a proposed 9% allocation to 401(k) was built into the budget, but this is only an estimated contribution.
- Property tax revenue is less than the costs of requirements for the RCD to exist. The property tax rate was set by San Mateo County voters at the time the RCD was established. A vote of two-thirds of individuals living within the District in favor of increasing tax allocations would be required to increase the rate.
- Kossy praised the work put into the proposed budget and found it cohesive and easy to understand. She recognized the effort required for staff to understand the budget and that it should be noted as a point of pride for everyone involved.
- Nelson recognized Stielstra for his dedicated effort to research and pursue the California Local Agency Self-Insurance System (CLASS), a joint powers authority that provides investment and other financial services to public agencies. This significantly increased anticipated interest income while meeting the fund management restrictions that special districts and local government entities must comply with, is a safe investment vehicle, and earns much more than the RCD had been able to previously. Additionally, it is unrestricted revenue.
- Donation development and outreach have been a priority, the funding streams are surprising considering there has not been funding available for grant writing, advancement, or public relations staff.
 - Nelson’s (stretch) goal is to have sustainable funding for staff positions, which would allow grants to be associated entirely with projects. This would improve RCD’s ability to achieve the root mission to empower people to be stewards of the land, rather than the existing focus on restoration work.
 - “All restoration is deferred stewardship.”
- More detailed narrative and footnotes will be added at a later date.
- **ACTION:** Guy moved to approve the Draft FY26 Financial Budget. Stielstra seconded. Motion passed unanimously.

6.2. Executive Director’s Report

- Approximately \$6 million of RCD funds were transferred into CLASS accounts, significantly increasing interest earnings.
- RCD staff presented at the Salmonid Restoration Federation conference, April 30-May 1
- Joe Issel, Jarrad Fischer, and Amy Kaeser coordinated a field tour on April 30, *The Gold Standard vs. Pragmatism: Threading the Needle to Accomplish Restoration at Scale*.
 - Guy reported attending, learning a lot about the RCD and having a lot of fun on the tour.
 - Nelson presented a keynote speech at the Plenary Session on May 1, [*The Humanity of Fisheries Restoration*](#). The presentation explored personal and partnership dynamics needed to scale restoration.
- RCD staff hosted and presented at Santa Cruz Mountain Stewardship Network (SCMSN) Spotlight Stewardship Tour, June 6.
- RCD Donor Thank You Tour, June 8: included landowners and partners (LAFCo, Midpen Board members) who expressed deep support and interest in the RCD’s future work.

- Discussion included that there was deep nuance and complexity to RCD projects, that the resources required to coordinate events of this type are very limited, how the tour was distinct from a consortium or conference tour—and that the “scrappiness” of the event (when compared to “polished” tours by other organizations) demonstrates that the quality of RCD work matters more than the event planning and showcases the persona of the RCD authentically
- Due to the limited resources to coordinate tours and site visits, Nelson announced that she plans to invite Board members to “somewhat spontaneous” site visits and other opportunities over the summer, to increase their access to tangible knowledge of ongoing RCD projects
- RCD Staff tabled at community events
 - La Honda Art & Music Fair, June 7-8
 - TOGETHER Bay Area (formerly the Bay Area Open Space Council) Conference, May 14: San Mateo RCD staff coordinated a collaborative RCD tabling space at the event to other RCDs under a “pay what you can” arrangement to encourage other RCDs to increase their presence and visibility. It was fun for the participants and successful in the dual goals to generate buzz about RCDs and encourage other RCDs to do more collaborative outreach events to demonstrate regional impact and service capacity.
- Webinars:
 - Sewer Authority Mid-Coastside Meeting, April 28: [First Flush Results](#), presentation of 2023-2024 Water Quality Results, with Clifton Herrmann
 - Coastside Land Trust webinar, May 11: [Healthy Waters, Thriving Coast](#), focused on local water quality
 - Cutting Green Tape webinar, May 21: [Regulatory Strategies to Advance Restoration: The New Restoration Management Permit & Workshopping Different Permit Pathways](#)
 - CLSN Equity Leaders Speakers Series panel, June 12: [Mutual Aid Strategies Amidst the Climate Crisis](#) – explored reciprocity, resilience, and collaborative stewardship with Valentin Lopez (Chair & President of the Amah Mutsun Tribal Band). RCD Engagement Officer Barb Kipreos moderated.
 - Kossy provided feedback that Kipreos was an excellent facilitator.
- Board members were invited to:
 - Table at the Pescadero Art & Fun Festival, August 16-17 (10 am-6pm):
 - Attend the CARCD Annual Conference (DoubleTree by Hilton, Sacramento), November 19-20: A budget is available to cover the Board members’ registration and lodging for this event.
- Project highlights:
 - Completed 47 acres of butterfly and grassland restoration on San Bruno Mountain
 - Completed 3.5 acres of weed removal and trash mitigation on Arroyo Leon Creek on Johnston Ranch
 - Butano Chute project mobilization is scheduled for June 30 at Little Butano Creek, with two fish passage projects to remediate barriers and improve fish habitat, enabling fish passage into Butano State Park and providing prime Coho habitat. Associated streamflow projects are also progressing upstream.

- Two Forest Health projects, at Pescadero Creek County Park and YMCA Jones Gulch, are starting in August.
- Three Habitat Enhancement projects (large woody debris installations) are scheduled for August, two on San Gregorio Creek and one on Butano Creek
- North Marsh North Pond hydrology restoration at the northern end of Pescadero Marsh has begun.
 - Stielstra commented that this is a much larger undertaking that he had imagined, with a lot of material, fisheries teams, traffic controls, and contractor presence on Highway 1
- CHIPPER Program is scheduled in Loma Mar and Dearborn Park for the week of June 22
- Butano State Park Forest Health Project is wrapping up – completed 450-acres of vegetation management, including oak woodland restoration. As a result of the mitigation work, a 150-acre prescribed burn was completed in partnership with State Parks and CAL FIRE
- Completed Middleton Tract Fuel Break – to improve fire access for the rural redwoods community.
- Projects are being submitted to the Santa Cruz Mountain Stewardship Network's Regional Prioritization Plan which we are co-facilitating and co-coordinating. It provides a region-wide planning effort across three counties for forest management and wildfire resiliency.
- Policy and Funding Issues
 - Concerns with Prop 4 funding allocation criteria that rely on income-averaged mapping, which undercounts vulnerable rural communities and excludes displaced Indigenous stewardship partners.
 - Prop. 4 will distribute \$10 billion statewide, with 40% reserved for vulnerable communities, as defined by the state mapping.
 - The state's draft maps rely heavily on census tract income averages, which can obscure need in places like San Mateo County, where a livable income skews much higher than in other regions of the state. Compounding this, high-wealth residents who live within the same census tracts as farmworkers mask the needs of those low-income populations.
 - People who are particularly vulnerable are the least likely to participate in census data.
 - In addition to sending the letter of concern, staff has engaged with Puente de la Costa Sur, Pescadero Municipal Advisory Council (PMAC), and others to ensure they were aware of this, as the issues concern resources that would be coming into the community.
 - The Governor's Office responded with a thoughtful reply recognizing there are more refined data sources not in the initial mapping tool.
 - This letter was copied to Senator Becker, Assemblymember Berman, and Supervisor Mueller. No responses were received, including after sending follow-up communications to ensure they had received the letter.
 - Wolter shared the [Disadvantaged Communities Explorer](#), a Midpeninsula Regional Open Space District GIS mapping tool that the City of Half Moon Bay utilizes for identifying vulnerable communities.

- While somewhat difficult to navigate, she highlighted that selecting “low income” provides no results for San Mateo County, though selecting “Disadvantaged communities” results in a few identifiable locations, and “Under-Resourced Community” results provide further more results. She reported finding it to be a useful tool to be aware of, and that for spokespeople, it is important to know that the area is challenged with its proximity to Silicon Valley and the way that high income earners masks the needs of vulnerable communities within the area.
- She pointed out that in legislation, each of these is a technical threshold terms, and in cases such as the area around Ocean Colony, representation can be masked in the results.
- Guy noted that on the presented mapping tool, areas in the northern end of San Mateo County were outlined in the results, but Pescadero and the surrounding area showed no results. Nelson confirmed that this highlighted the problems being advocated for and noted that the RCD is heavily engaged in the Pescadero area for this reason.
- Nelson discussed challenges with state indirect cost rules
 - Nelson reported success in including language in Prop. 4 to allow indirect costs to be included, but there are risks to it being further restricted.
 - Making lower indirect a competitive advantage in grant applications would harm those who are required to comply with the Brown Act and other laws
 - An active grant from the Department of Water Resources (DWR) under which the RCD has negotiated terms that include indirect costs, and received invoiced payments for those costs, has been altered and those indirect costs are no longer eligible, according to the DWR. The attorney who made this decision claimed that the guidelines for the grant program and contract say indirect costs are ineligible, even though there are exceptions that apply to the existing contract in question.

6.3. Board will consider request for special meeting in early August to select contractor for Pescadero Creek County Park Forest Health Project

- **ACTION:** Guy moved to approve the motion to hold a Special Meeting, at a date to be determined but approximately around August 7, 2025, to approve the selected contractor for Pescadero Creek County Park Forest Health project. Stielstra seconded. Motion passed unanimously.

6.4. Directors’ connection and reports

- Kassam shared exciting progress on invasive species removal project (*Hypericum*)—four acres removed via mastication and planned experimental follow-up treatments planned for each acre separately. She recently took a trip to Panama and visited the Gamboa Rainforest Reserve and was encouraged to see the conservation work being done there.
- Wolter reported that she was recently awarded a permit for a solar array at the Half Moon Bay City Hall parking lot and was subject to Coastal Developments under the Local Coastal Program (LCP) which was difficult to navigate, taking 4-5 months in total to complete.

- Kossy reported participating in the California Invasive Plant Council (CalIPC) outreach team via her role as the CalIPC Facebook page. Discussion included the council's mission and how it can interact with the broader appeal of their Facebook page to guide individuals on how to deal with invasive species. She noted that CalIPC's mission does not include providing education, and the meeting included discussion on how to offer educational content and utilize volunteers to make it a valuable resource for the council. She shared about the National Association of Conservation Districts' "Conservation Clips," an amalgamation of media on conservation topics which she feels is a valuable resource to understand what other RCDs are doing. She recently attended the CARCD Legislative Committee session as an alternate for Nelson and found it a valuable learning opportunity.
- Guy reported he attended the Salmonid Restoration Foundation conference, and greatly enjoyed talks from Nelson and others. He really enjoyed the Pescadero tour, and found that he was able to answer his neighbors questions about the marsh based on information gained at the event. He reported spending time at Cloverdale Ranch assisting with monitoring of San Francisco garter snakes. He also was regularly participating in Midpen docent tours and the Fifth Crow Pond overlook. He enjoyed being able to speak to the RCD's talking points on each site with tour guests. He also toured the Eel River, where two non-functional dams along a fault were set to be decommissioned. He reported that this would open up around 800 river miles of prime habitat by taking out the dams and removing Lake Pillsbury, while still providing water to the wine growers. The Wildlands Conservancy was also on the tour, and Guy reported that similar to the Klamath dam removal, all parties had come to an agreement and he was encouraged by the fact that it appeared that the project plans would go through, and that it would open up cold water, high elevation habitat. Nelson shared that Guy had received a shout-out at that day's RCD Staff Meeting, and that his insights as a Pescadero High School parent allowed for improved perspectives on RCD engagement there, and thanked him for his help.
- Phillips reported seeing beautiful wetlands and flamingos (!) in Italy through the Po Delta. She has appreciated the regular invitations to RCD tours and events.
- Stielstra reported attending CARCD meetings, including as the Regional Chair of the Central Coast Region RCDs, which ranged from San Mateo County to the Santa Monica Mountains. As the Regional Chair, this position also included a role as a voting member of the CARCD Board. He found the Central Coast region to be very diverse, and appreciated the opportunity to build relationships with other regional Board members, and found it to be a valuable opportunity to become better informed and effective in his field experience and in Board outreach conversations.

7. Adjourn Meeting

- Meeting adjourned at 6:01 p.m.
- The next Regular Meeting of the Board of Directors will be July 17, 2025.