



DRAFT Minutes of the Regular Meeting of the Board of Directors

Tuesday, January 13, 2026

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: Denise Phillips, Zahra Kassam, John Wade (Absent:)

RCD staff: Kellyx Nelson, Lau Hodges, Kati McHugh

NRCS staff: Drew Mather

Guests: Anne McMillion, Doug Nelson

1. Call to Order

Kossy called the meeting to order at 4:01 p.m.

2. Approval of Agenda

- Item 5.2 (Fiscal Year 2025 Draft Financial Statements) was moved from Consent to Regular Agenda.
- **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 as modified. Weil seconded. Motion passed unanimously.

5. Regular Agenda

5.2. Fiscal Year 2025 Draft Financial Statements

- Nelson presented a list of proposed copyedits focused on improving clarity and presentation of the financial statements, including formatting, document title, page numbering, consistency of labels, correcting table of contents, and clearly indicating that the allocation had been made to the operating reserve. She noted that property tax revenues had increased in FY 2025 but were not reflected in the budget for FY

2026. She stated there were no concerns with the underlying numbers and noted the year ended slightly better than budgeted, with a positive variance.

- Discussion included support for the edits, the increase in donations in April, discomfort approving the statements before edits had been made, inconsistent use of rounding numbers, the miscellaneous income, clearer reporting of the operating reserve within the California CLASS account, the negative credit card liability as a timing issue, and effects of delays of approval on the audit and federally negotiated indirect cost rate process, need for Finance Committee to meet, and potential for a Special Meeting to approve financial statements.
- Finance Committee will discuss the best way to report the operating reserve within the CLASS account and how to treat vehicle depreciation.
- **ACTION:** Weil moved to table the item for a future meeting. Guy seconded. Motion passed unanimously.

6.1. Board will consider allocation of 2025 earnings for eligible employees to the Employer Sponsored 401K Plan.

- Discussion included review of the attached memo.
- **ACTION:** Stielstra moved to approve the 9% allocation as recommended by staff and stated by Nelson. Weil seconded. The motion passed unanimously.

6.2. Board will consider rotating presidency.

- The board continued its discussion from the previous meeting. Discussion included that other RCDs and small cities rotate presidency/ chairing; how rotation can sustain energy, build Board capacity, and allow staff to request additional support from the President without expecting someone to hold the role indefinitely; this support included reminding directors about Form 700 filings, ethics certifications, or other requirements since the RCD does not have a board clerk on staff; the challenges of a president communicating with the Board while complying with the Brown Act; how the public accountability/ scrutiny differs from non-profit boards and makes recruitment more challenging; whether the President could serve multiple years if no one else wished to assume the role; the idea of a seniority-based system in which the longest-serving director would be offered the role each year, with the option to decline; the model used by Midcoast Community Council and city councils in which a President and Vice President serve, with the Vice President positioned to become President the following year, and able to chair meetings when the President is unavailable.
- Stielstra said that if rotation placed him next in line, he would want a clearer understanding of Finance Committee responsibilities and governance protocols; he would want to meet with the Finance Committee and with Weil and Nelson before deciding whether to accept the presidency, and he would continue serving on the committee if he became President.

- Directors discussed additional responsibilities related to Board leadership, welcoming new directors, understanding Board member strengths, and supporting committee work. Kossy noted that many leadership tasks she performed were not exclusive to the President's role.
- Directors discussed whether more time was needed to decide on the concept of rotation, on accepting the next presidency, or both. Nelson suggested voting separately: first on whether to rotate annually and then determining who would serve during the February meeting.
- Weil asked that the Board establish a clear process for nominations, acceptance or decline, and selection, noting that MCC identifies nominees in advance while remaining Brown Act compliant and votes at the meeting. Directors discussed how seniority would guide nominations and how declining a nomination would move consideration to the next person in line.
- **ACTION:** Weil moved to approve beginning an annual rotation of the presidency starting at the next regular meeting in February. Guy seconded. Motion passed unanimously.

6.3. Directors will discuss their experience with the annual appeal.

- Nelson asked directors to share their experiences with the annual appeal and whether they were able to distribute materials, whether recipients donated, and whether additional support was needed for future efforts.
- One person made donations in honor of members of her hiking group, which helped introduce the RCD to new people; one sent links by text but does not know whether anyone donated or whom to thank; one had not yet distributed letters but thought about her children delivering them around the neighborhood or bringing them to the neighborhood "Soup Night."
- Nelson suggested that directors email staff the names of the people they contacted so staff could verify whether donations were received.
- Discussion included high fees for someone trying to set up a monthly donation; perceived barriers because the RCD is not a 501(c)(3) (Nelson encouraged directors to make an introduction so staff could donors navigate this issue); that the RCD has clear precedents for charitable fund giving and staff can assist case-by-case; some directors' discomfort with asking people who are not wealthy; how most charitable giving comes from lower-income donors making small contributions, and that even modest gifts build engagement and connection with the RCD; the importance of asking, noting that assuming someone will not give guarantees they will not donate; the return on investment of Coastsides Gives and whether or not to participate; how the All You Seed is Love event helped directors make asks; the pros and cons of a mid-year appeal; a desire to receive materials earlier in the season with language for making the ask; the overwhelming volume of solicitations at the end of the year and whether an earlier

appeal might help the RCD stand out and reduce fatigue; and a goal to distribute materials at the November meeting.

6.4. Executive Director's Report

- The RCD owns 0 Pescadero Creek Road in Pescadero.
- Kossy asked for an update on how the dredge project performed during recent heavy rain. Nelson said that community members reported success and said flooding didn't go as far as it used to, didn't happen as soon as it used to, and the road drained faster than it used to. Flooding will still occur because the area is a floodplain and that the dredge was intended to reduce the extent, duration, and frequency of flooding.
- Guy and Wade shared their observations about improved conditions compared to previous years. Wade has observed the flooding for fifty years and said that flooding previously occurred after almost any rain and now requires a two-and-a-half to three-inch storm to create water over the road. Guy said he no longer has to determine whether the road is safe to cross.
- Nelson noted that farmers in town who have lived and farmed in the area for many decades, including before the marsh belonged to the state have reported its success.
- SB 707 updates Brown Act requirements for remote participation, including rules for establishing a quorum when a board member joins remotely. A quorum must be physically present; a remote participant must be both seen and heard; remote participation requires just cause and may be used for childcare, illness, physical or mental need, official government travel, immunocompromised status, medical emergency, or military service at least fifty miles away, subject to annual limits. If these terms are not met, a director may still participate without voting, which has been our practice anyway. Kossy had previously participated remotely with a quorum present and had not voted.
- The Regional Priority Plan (RPP) for forest health and wildfire resiliency across San Mateo, Santa Cruz, and Santa Clara counties is nearly complete and includes over one hundred projects, about half in San Mateo County. Staff is working with the Department of Conservation to secure block grant funding for implementation.
- McMillan said she was pleased to learn her small community had been included in the La Honda Fire Break vegetation clearing and thanked staff for the effort.
- RCD will be involved with work to manage eucalyptus along evacuation routes near the Devil's Slide tunnel and areas in Pacifica where homes extend upslope and are surrounded by fuel.
- Discussion included how project signage is determined case by case based on needs, sensitivities, and funder and partner requirements as well as safety regarding reading when driving; and project permitting determining timeline.
- The need continues to create a tool to communicate upcoming projects. Staff communication resources are currently focused on summarizing completed work for the impact report and preparing a strategic plan. The annual budget will provide a one-year look-ahead. Staff has been trying to find a tracking tool that would allow high-level

monthly project updates meaningful to external audiences that integrates with project management software and doesn't add significantly to staff workload.

- Discussion included the use of AI, whether it can integrate with RCD software, the complexity of reporting requirements across numerous funders and regulators; and the desire to be able to see what projects are ahead.
- She reported that the annual appeal brought in a little over \$10,000 from 21 donors, and that three unsolicited Giving Tuesday gifts brought the total to \$12,000 from 24 donors. Nelson said board participation had not yet reached the goal and encouraged all directors to contribute even in small amounts.
- We are working with federal lobbyists to pursue a congressional earmark for the water projects where state funding pools had diminished, specifically communities in the redwoods that rely on century-old water tanks and above-ground lines, vulnerable to drought and having limited fire suppression.
- The state anticipates \$2.09 billion budget deficit and the projected \$22 billion deficit the following year; delays to rolling out Proposition 4 funding allocations are a concern.
- She described the marbled murrelet and its habitat requirements and noted severe impacts from the 2020 fire. California Department of Fish and Wildlife (CDFW) issued avoidance guidance that is restrictive and compromises restoration projects. She raised concerns about scientific quality, lack of use of local data, and the appearance of underground rulemaking; she was engaged in discussions with CDFW about these concerns.
- Staff is partnering to release 79 adult coho salmon in Memorial Park and additional releases were planned; staff would like to see Butano releases and salmon have begun accessing the watershed.
- She is helping CARCD and state lobbyists working on cost-recovery to ensure sufficient project funding.
- County Parks Director Nicholas Calderon had moved to the County Executive Office as a Deputy County Executive, and that Sheena Sidhu, formerly of the RCD and most recently the Natural Resources Manager at Jasper Ridge, had joined County Parks.
- Weil asked whether Hannah Ormshaw would assume a vacant role and Nelson said Hannah was on parental leave and Emma Gonzalez was serving in the interim without a permanent appointment.
- RCD website program pages are being written and expected to be completed by the end of February.
- Nelson hopes the three-year impact report will be complete in March; strategic planning will begin after the impact report is released.

6.5. USDA NRCS (Natural Resources Conservation Service) report

- Mather enjoyed the RCD holiday party and appreciated the invitation to join.
- Mather described a conversation with a Registered Professional Forester who was concerned about coastal zone management authority on a project in San Mateo County, and said that Nelson advised that NRCS conducts federal consistency determinations and that the RCD's programmatic permit and Public Works Plan may also apply.
- Mather reported meeting with Eliza Milio, Agricultural Ombudsman and discussed Association of Conservation Districts grant opportunities.

- Mather said he had another conversation with Joe Issel regarding the pollinator biologist who is currently helping from outside the area.
- Mather reported on the monthly meeting with Supervisor Alan Curry and the District Conservationists; he relayed that San Mateo County is considered in non-attainment for certain air quality measures, leading to interest in the tractor replacement program. He explained that the San Joaquin Valley will receive ownership of all tractor program funding for the upcoming fiscal year. He said that the NRCS will still accept local applications for tractor replacement, but that funding likelihood this year is low. He said he will keep watching and see how it goes.
- Nelson clarified that the program upgrades older tractors to lower-emission models. Mather noted that Santa Cruz County's air quality status disqualifies it from participating.
- Wade commented on the usefulness of tractor upgrades for local producers.
- Mather reported receiving training on the regenerative agriculture pilot program and said that seven hundred million dollars was earmarked nationally for USDA and NRCS programs with a focus on soil health testing; fifteen practices are included and he highlighted those most relevant locally, including cover cropping, forest stand improvement, irrigation water management, mulching, nutrient management, and grazing management. He said the program requires a five-year commitment, similar to stewardship programs, and could be transformative for small and large farms seeking to improve soil health. He noted that compost and carbon amendment practices were not included and said NRCS had not yet explained how supporting practices would be integrated.
- Mather said growers had shared positive feedback about their experiences with NRCS and the RCD, including work with Jim Howard and Dillon Beatty, noting that Beatty is now working with the RCD. He reported growers had also expressed interest in applying for the regenerative agriculture program. Mather said he did not yet have application totals but expected a strong number ahead of the imminent deadline on January 15 and reported that NRCS can now accept electronically signed applications.

6.6. Directors' connection and reports

- Guy reported that he will be unavailable for the February meeting, and Weil also stated she will be out of town. Nelson said she will return on January 29; RCD staff would work offline to determine an alternative February Regular Meeting date.
- Kossy stated she plans to attend open house hosted by Sup. Mueller on Thursday, January 15, and Nelson thanked her for representing the RCD. Kossy said a private residence with a drainage issue was considering converting it into a pond, and Nelson suggested referring the landowner to Joe Issel. Kossy described creating an acronym list and shared that she has a URL for the document; Nelson said she can distribute the link to directors and associate directors. Kossy said the list is a work in progress and that others may add items consistent with the goal of the document.
- Weil reported beginning work with a new company developing a medical device for children with chronic ear infections and said the product is undergoing FDA clearance. She said the device received a Best of Innovation award in Digital Health at the Consumer Electronics Show in Las Vegas, and was featured in the keynote address and social media channels.

- Stielstra reported participating in CARCD calls and noted that the board election process is underway. He commented on upcoming SCMSN events and said Dylan Skybrook's session on risk sounded interesting. He shared that he is now working for a company called Naturion, which creates conservation lands and mitigation banks through collaborative partnerships with landowners, and said he is aware of potential conflicts. Nelson asked whether the work involved mitigation banking, and Stielstra confirmed that it does while emphasizing the company's approach to restoring habitat on underutilized lands.
- Wade reported that his wife is beginning to recover from a recent illness.
- Phillips reported having a wonderful trip to London to visit family over the holidays.

7. Adjourn Meeting

- Meeting adjourned at 6:04 p.m.
- The next Regular Meeting of the Board of Directors will be rescheduled from its regular time.