

SONOMA COUNTY OPEN SPACE FISCAL OVERSIGHT COMMISSION

COMMISSIONERS

Mike Sangiacomo (Sonoma)
Todd Mendoza (Petaluma)
Dee Swanhuysen (Sebastopol)

Bob Anderson (Healdsburg)
Eric Koenigshofer (Occidental)
Jeff Owen (Alternate)

Regular Meeting
747 Mendocino Avenue – Suite 100, Santa Rosa, CA 95401
May 5, 2016 5:00 pm

AGENDA

1. **Call to Order.**
2. **Agenda Items to be Held or Taken Out of Order; Off-Agenda Items.**
3. **General Announcements Not Requiring Deliberation or Decision.**
4. **Public Comment.**
The Brown Act requires that time be set aside for public comment on items not agendized.
5. **Correspondence/Communication.**
6. **Approval of Commission Minutes.** [Attachment 1]
7. **Financial Report.** [Attachment 2]
8. **Ad Hoc Committee Reports.**
 - Annual Report/Audit Report Review (Anderson, Swanhuysen)
 - Matching Grant Program (Owen, Swanhuysen)
 - Finances (Owen, Sangiacomo)
 - Review of County Services (Mendoza, Koenigshofer)
 - Management Review Recommendations (Anderson, Koenigshofer)
 - Stewardship (Mendoza, Sangiacomo)
9. **Irwin Creek Restoration Matching Grant Agreement.** [Attachment 3]
10. **Closed Session.** [Attachment 4]
Conference with Property Manager
Project: Colgan Creek Phase 2c and 2d
Properties:
(1) **MITCHELL**
Address: Pebblecreek Drive, Santa Rosa
APNs: 043-200-004
Owner: Norman Mitchell, et.al.

(2) **BELL**

Address: 3012 Dutton Meadow, Santa Rosa
APN: 043-122-007
Owners: Marcus and Kathy Bell

Negotiating Parties for Both Properties:

Owners' Representative: Jill Scott, Right-of-Way Agent, City of Santa Rosa

District's Representative: William J. Keene, General Manager

Under Negotiation:

Acquisition of Interest in Real Property by the Open Space District. The Commission will give instruction to its negotiator(s) on the price. (*Government Code Section 54956.8*).

11. **Report on Closed Session.**

12. **Suggested Next Meeting.** June 2, 2016

13. **Adjournment.**

In compliance with Government Code §54954.2(a), the Sonoma County Open Space Fiscal Oversight Commission will, on request, make this agenda available in appropriate alternative formats to persons with a disability, as required by Section 202 of the ADA of 1990 (42 U.S.C. §12132), and the Federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in another format or need a disability-related modification or accommodation should contact Sue Jackson at 707.565.7346 at least 72 hours prior to the meeting to ensure arrangements for accommodation. Pursuant to Government Code § 54957.5, a copy of all documents related to an item on this agenda submitted to the Fiscal Oversight Commission may be obtained from the Fiscal Oversight Commission office, 747 Mendocino Avenue, Santa Rosa, CA 95401.

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UNAPPROVED

Minutes for the Meeting of April 7, 2016

Commissioners Present: Bob Anderson, Chair; Todd Mendoza, Vice Chair (arrived at 5:03 pm); Dee Swanhuyser, Chair Pro Tem; Eric Koenigshofer; Jeff Owen, Alternate.

Staff Present: Bill Keene, General Manager; Misti Arias, Program Manager – Acquisition; Mary Dodge, Administrative & Fiscal Services Manager; Stuart Martin, Land Acquisition Specialist; Lisa Pheatt, Counsel; Robert Pittman, Counsel; Christine Minkel, Administrative Aide to the Commission; Sue Jackson, Deputy Clerk/Recorder.

Also Present: Erica Ahmann, City of Petaluma

1. **Call to Order.**

Commissioner Anderson called the meeting to order at 5:00 pm.

2. **Agenda Items to be Held or Taken Out of Order; Off Agenda Items.**

There were none.

3. **General Announcements Not Requiring Deliberation or Decision.**

There were none.

4. **Public Comment.**

There was none.

5. **Correspondence/Communication.**

There was none.

6. **Approval of Commission Minutes.**

On a motion by Commissioner Koenigshofer and second by Commissioner Swanhuyser, the minutes of March 3, 2016 were approved, with Commissioner Sangiacomo abstaining.

7. **Financial Report.**

The commissioners reviewed the financial report prepared by Mary Dodge, Administrative and Fiscal Services Manager.

8. **Ad Hoc Committee Reports.**

- Annual Report/Audit Report Review (Anderson, Swanhuysen) – See #9.
- Investment (Swanhuysen, Owen) – Inactive
- Review of County Services (Mendoza, Koenigshofer) -Inactive
- Stewardship (Mendoza, Sangiacomo) – Inactive
- Operation and Maintenance Transaction Review (Anderson, Koenigshofer) – Inactive
- Matching Grant Program (Koenigshofer, Owen) – Inactive
- Management Review Recommendations (Koenigshofer, Anderson) – Inactive

9. **Commission's Fifth Annual Report to the Board of Directors.**

(Continued from March 3, 2016)

The Commission reviewed the report and confirmed that the edits and suggestions resulting from their first review had been incorporated. Commissioner Anderson asked for comment on the report. Commissioner Swanhuysen requested that an overview/summary be included in future annual reports. Commissioner Koenigshofer recommended eliminating the background section on future annual reports.

On a motion by Commissioner Koenigshofer and second by Commissioner Swanhuysen, the Annual Report was approved for submission to the Board of Directors.

10. **Rules of Governance Update.**

Resolution No. 2016-003

Mr. Keene and Ms. Pheatt presented a proposed update to the Rules of Governance. The update reflects the Board-approved SCAPOSD Management Review Final Report's recommendation that a Code of Conduct be developed for and adopted by the Commission. The Commission previously discussed a draft at its February 2, 2015 meeting. Based on the February discussion, County Counsel drafted a new document, wherein a code of conduct was incorporated into the Rules of Governance.

On a motion by Commissioner Mendoza and second by Commissioner Sangiacomo, the revised Rules of Governance were approved on a 4-1 vote.

Anderson: aye Koenigshofer: no Mendoza: aye Sangiacomo: aye Swanhuysen: aye

11. **East Washington Park Matching Grant Program.**

Resolution No. 2016-005

Mr. Martin presented a history to date of this matching grant program. Having been initially funded in 2007 by the District to develop urban open space and recreational opportunities, and progressing through a phased development, construction for the initial phase started in July 2014. The improvements associated with the District's grant were completed in July, 2015. With completion of Phase one, the District will reimburse the cost of field turf for playing fields, an irrigation system, earthwork for the third field, and fencing. The District and the City will enter into a Conservation Easement and a Recreation Covenant.

Erica Ahmann, Project Manager, City of Petaluma, spoke in support of the grant, and affirmed that the park is well attended by those living in and visiting the area. She thanked the District for its support in contributing to and improving recreational opportunities in Petaluma.

On a motion by Commissioner Mendoza and second by Commissioner Koenigshofer, the resolution was adopted unanimously.

Alternate Commission Owen departed the meeting at 5:30.

12. **Closed Session.**

The Commission adjourned to closed session at 5:32 pm and returned to Open Session at 6:13 pm.

Open Session.

The Commission discussed permitted uses on coastal lands, including how existing buildings on coastal lands would or could be used. The Commission recommended that District staff have further conversations with other conservation entities, e.g., Save the Redwoods League, the Coastal Commission, etc., regarding prohibited and allowed uses of coastal lands.

Closed Session.

The Commission adjourned to closed session at 6:30 pm.

13. **Report on Closed Session.**

The Commission reconvened to Open Session at 6:40 pm and reported the following:

Stewarts Point

Resolution 2016-004

On a motion by Commissioner Mendoza and second by Commissioner Swanhuysen, the Commission determined that the acquisition price for a conservation easement over the Stewarts Point property does not exceed fair market value.

Ayes: 5 Noes: 0 Abstain: 0 Absent 0

14. **Suggested Next Meeting.** Special Meeting to be held on April 21, 2016 @ 4:00 pm.

15. **Adjournment.**

On a motion by Commissioner Swanhuysen and second by Commissioner Mendoza, the meeting was adjourned at 6:45 pm.

Respectfully submitted,

Sue Jackson
Deputy Clerk

Sonoma County Agricultural Preservation and Open Space District
Consolidated Balance Sheet - District and OSSTA Funds
March 31, 2016

Assets

Cash and Investments	\$59,557,914
Accounts Receivable	10,000
Other Current Assets	900
Intergovernmental Receivables	86,867

Total Assets	<u><u>\$59,655,681</u></u>
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Liabilities and Fund Balance

Current Payables	\$6,751
Accrued Exp/Other Current Liab	2,599
Long-Term Liabilities	30,000

Total Liabilities	<u>39,350</u>
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Fund Balance

Nonspendable - Prepaid Expenditures	900
Restricted - District Activities	59,615,431
Total Fund Balance	59,616,331

Total Liabilities and Fund Balance	<u><u>\$59,655,681</u></u>
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Cash by Fund

OSSTA - Measure F	\$54,400,003
Open Space District	2,987,304
Fiscal Oversight Commission	34,257
Stewardship Reserve	
Cooley Reserve	161,123
Moore Grant Conservation Ben.	75,008
Operations and Maint. Res.	1,900,219

Total Cash by Fund	<u><u>\$59,557,914</u></u>
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Sonoma County Agricultural Preservation and Open Space District
Consolidated District and OSSTA Budget to Actual
For the nine months ended March 31, 2016

	Budget Final	Actual Year to Date	Encumbrances Year to Date	Remaining Balance	25% of year Remaining
Revenues					
Tax Revenue	\$22,880,000	\$13,535,286	-	\$9,344,714	58.48%
Intergovernmental Revenues	33,019,884	7,752,349	-	25,267,535	84.01%
Use of Money & Prop	475,000	(14,143)	-	489,143	103.34%
Miscellaneous Revenues	0	64,739	-	(64,739)	0.00%
Other Financing Sources	11,993,342	10,421,562	-	1,571,780	13.11%
Total Revenues	68,368,226	31,759,793	-	36,608,433	63.07%
Expenditures					
Salaries and Benefits	4,106,741	2,295,517	-	1,811,224	56.24%
Services and Supplies	8,810,416	2,408,766	\$2,391,779	4,009,871	30.61%
Other Charges	39,886,692	7,920,858	33,054	31,932,780	87.45%
Capital Expenditures	23,205,182	5,403,813	362,037	17,439,332	75.05%
Other Financing Uses	49,513,935	47,580,660	-	1,933,275	6.40%
Total Expenditures	125,522,965	65,609,614	2,786,870	57,126,481	48.27%
Net Earnings (Cost)	(\$57,154,740)	(33,849,821)	(\$2,786,870)	(\$20,518,049)	
Beginning fund balance		93,466,152			
Ending Fund Balance		\$59,616,331			

Note: Sales tax received by March 31, 2015 was \$13,092,417. A 3.3% increase from the prior year.

DATE: April 26, 2016 (Meeting May 5, 2016)

TO: Fiscal Oversight Commissioners

FROM: Curtis Kendall, Acquisition Assistant

SUBJECT: Irwin Creek Restoration Matching Grant Project

Summary

The Irwin Creek Restoration Matching Grant Project will restore over 2,000 linear feet and nearly 5 acres of riparian habitat along Irwin Creek which flows through Stone Farm on its way to the Laguna de Santa Rosa. The District has held a conservation easement over Stone Farm since 2001; therefore, we are not asking the Fiscal Oversight Commission to make a determination regarding the acquisition of interest and fair market value. The work is being completed through a partnership between the City of Santa Rosa and the Laguna de Santa Rosa Foundation. The District is contributing \$105,040 toward the project through the Matching Grant Program that will be matched by contributions from the City and Foundation. District staff will be presenting a Matching Grant Agreement to the Board of Directors for consideration on May 24, 2016.

Background

On December 17, 2001, the District acquired a conservation easement over the Laguna Farms, including Stone Farm, located at 5750 Occidental Road, from the City, to preserve the open space, scenic, and biotic values of the property. The City had acquired Stone Farm in 1984, for the purpose of reclaimed wastewater dispersal. In 2001, the City conveyed a conservation easement to the District as mitigation for the City's condemnation of a portion of the District's McCord North and McCord South conservation easements in association with the Santa Rosa Geysers wastewater pipeline. The conservation easement identifies a natural area designation over much of the property west of Sanford Road and 100 feet each side of Irwin Creek east of Sanford Road.

The City and the Laguna Foundation have had a long history partnering on habitat restoration and providing environmental education at Stone Farm. Extensive wetland and riparian restoration efforts were implemented on the property west of Sanford Road from the late-1980's through the mid-1990's. Additionally, environmental education programming offered by the City and the Laguna Foundation have expanded since 2009, when the Laguna Foundation established their center of operations at Stone Farm. The partnership has resulted in significant improvements to ecological functioning on the property, and has helped cultivate an appreciation of the Laguna de Santa Rosa among thousands visitors to Stone Farm.

In February, 2012, Laguna Foundation and the City submitted a Matching Grant Program application for riparian restoration along a portion of Irwin Creek flowing across the Stone Farm conservation easement east of Sanford Road. Important natural resources on the property include valley oak savannah, vernal pools, and riparian habitat. Restoration of Irwin Creek is part of a larger effort to improve ecological function and water quality in the Laguna de Santa Rosa, designated a Wetland of International Importance by the Ramsar Convention, an international treaty the United States signed in 1986. This project was accepted into the District's Matching Grant Program by the Board of Directors on September 18, 2012 with funding of up to \$107,290; however, the final matching grant amount was reduced to \$105,040 as a result of a project design change prior to drafting the matching grant agreement.

On April 26, 2013, the Laguna Foundation secured grant funding from the State Coastal Conservancy for \$91,000 toward the Irwin Creek Restoration project. The Coastal Conservancy grant funding was anticipated at the time the City and the Laguna Foundation submitted an application to the District's Matching Grant Program and was to be the majority of the required match for the District's program. As a condition of the Coastal Conservancy grant, the Laguna Foundation entered into an agreement with the City to allow the grantee to install, monitor and maintain the project for a period of at least 20 years. The Laguna Foundation and the City executed a professional services agreement on January 23, 2014, for implementation of the project as required by the Coastal Conservancy grant.

Irwin Creek Restoration Matching Grant Project

The project will improve ecological function of the riparian habitat and improve water quality; it will provide opportunities for the public to participate in restoration of the Laguna de Santa Rosa and enhance the outdoor environmental education programming provided by the City and the Laguna Foundation. Specifically it will:

- Restore 2,100 linear feet of riparian habitat, totaling 4.7 acres, along Irwin Creek.
- Remove a degraded cattle crossing and two small culverts.
- Exclude livestock from the creek and restoration site.
- Repair and stabilize creek banks to establish natural channel morphology.
- Remove non-native invasive plant species.
- Utilize recycled water for irrigation of seedlings.
- Assure guided public access to Stone Farm and the restoration site as long as the Laguna Foundation is operating the Laguna Environmental Center.

Project Budget

Matching funds in excess of the required dollar for dollar match has been secured. The Laguna Foundation has secured and expended a \$91,000 State Coastal Conservancy grant to initiate implementation of this project. The City committed to providing up to \$35,000 to be spent on irrigation supplies, native plants, and fencing; equipment us and recycled water for irrigation are included as in-kind contributions.

Task	Coastal Conservancy Grant	City of Santa Rosa	District Matching Grant
1. Project Management and Planning			
design and planning	\$6,000		
management	\$6,000		\$25,800
2. Setback Fence Construction			
4-strand fencing		\$12,000	
access gates		\$900	
3. Cattle Crossing Repair			
cattle crossing repair	\$32,000		
4. Riparian Restoration			
supplies		\$5,667	
native plants		\$10,122	
equipment use (in-kind)		\$3,250	
water (in-kind)		\$3,061	
field supervisor	\$21,000		\$31,440
field technician	\$26,000		\$40,000
contract labor			\$7,800
Total =>			
	\$91,000	\$35,000	\$105,040

District Acquisition Plan

The project furthers objectives and policies in *Connecting Communities and the Land* by:

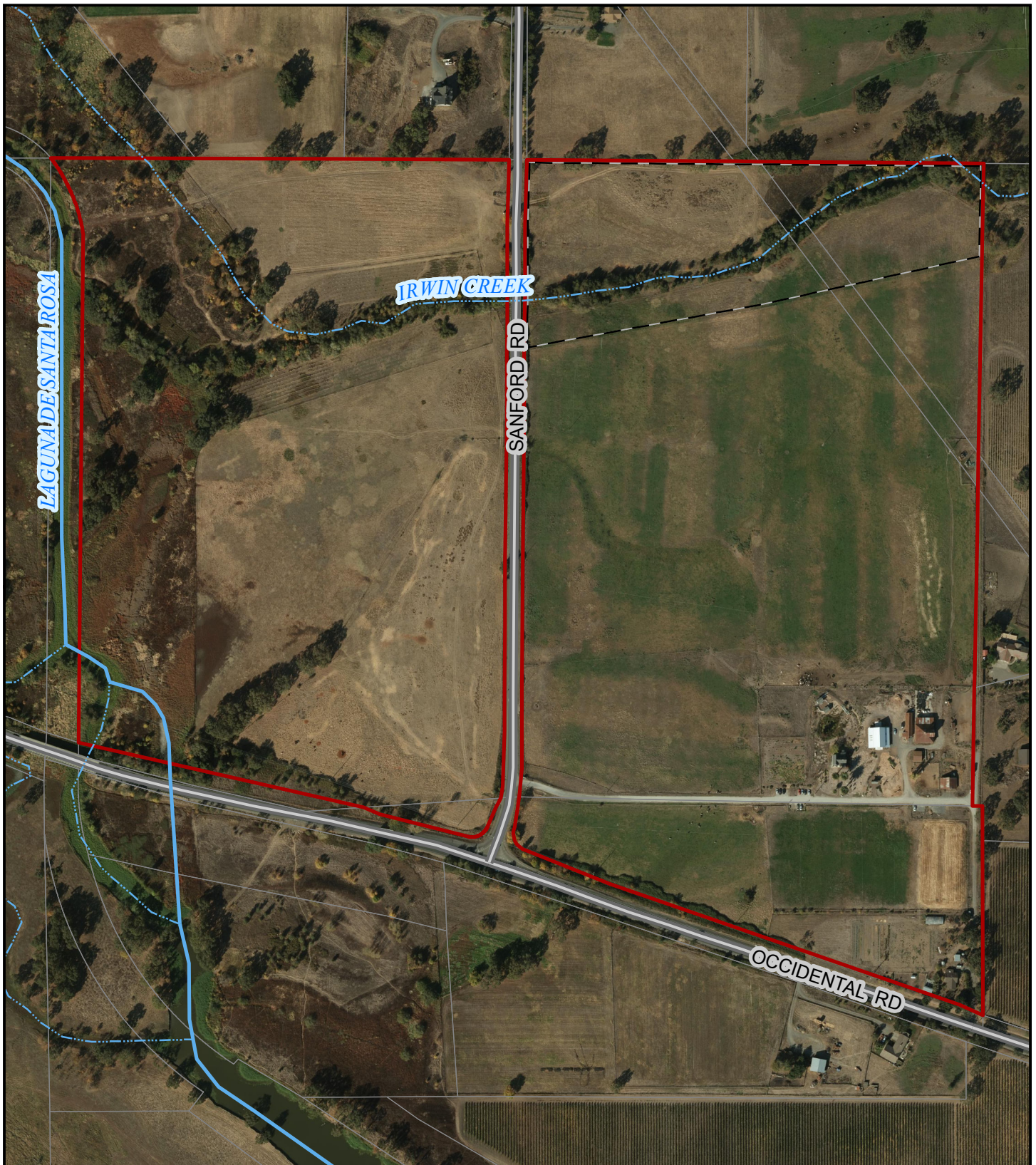
- Encouraging management of District-protected lands to ensure the conservation and restoration of natural resources.
- Ensuring District-protected lands are managed to protect conservation values while allowing compatible public recreational uses.
- Protecting water resources to benefit human communities, as well as fish and wildlife.
- Working with partners and willing landowner to provide recreational opportunities on District-protected lands near cities and communities.
- Promoting recreational and educational opportunities for residents to learn about, enjoy, and experience the natural diversity of Sonoma County.
- Working with partners to expand volunteer opportunities for stewardship and restoration of natural resources on District-protected lands.

District Expenditure Plan

The project is consistent with the Agricultural Preservation and Open Space 2006 Expenditure Plan, creek restoration and enhancement along the Laguna de Santa Rosa was included as an example of "Other open space projects."

Next Steps

The project will be presented to the Board of Directors for consideration May 24, 2016.






Irwin Creek Restoration Matching Grant Site Map



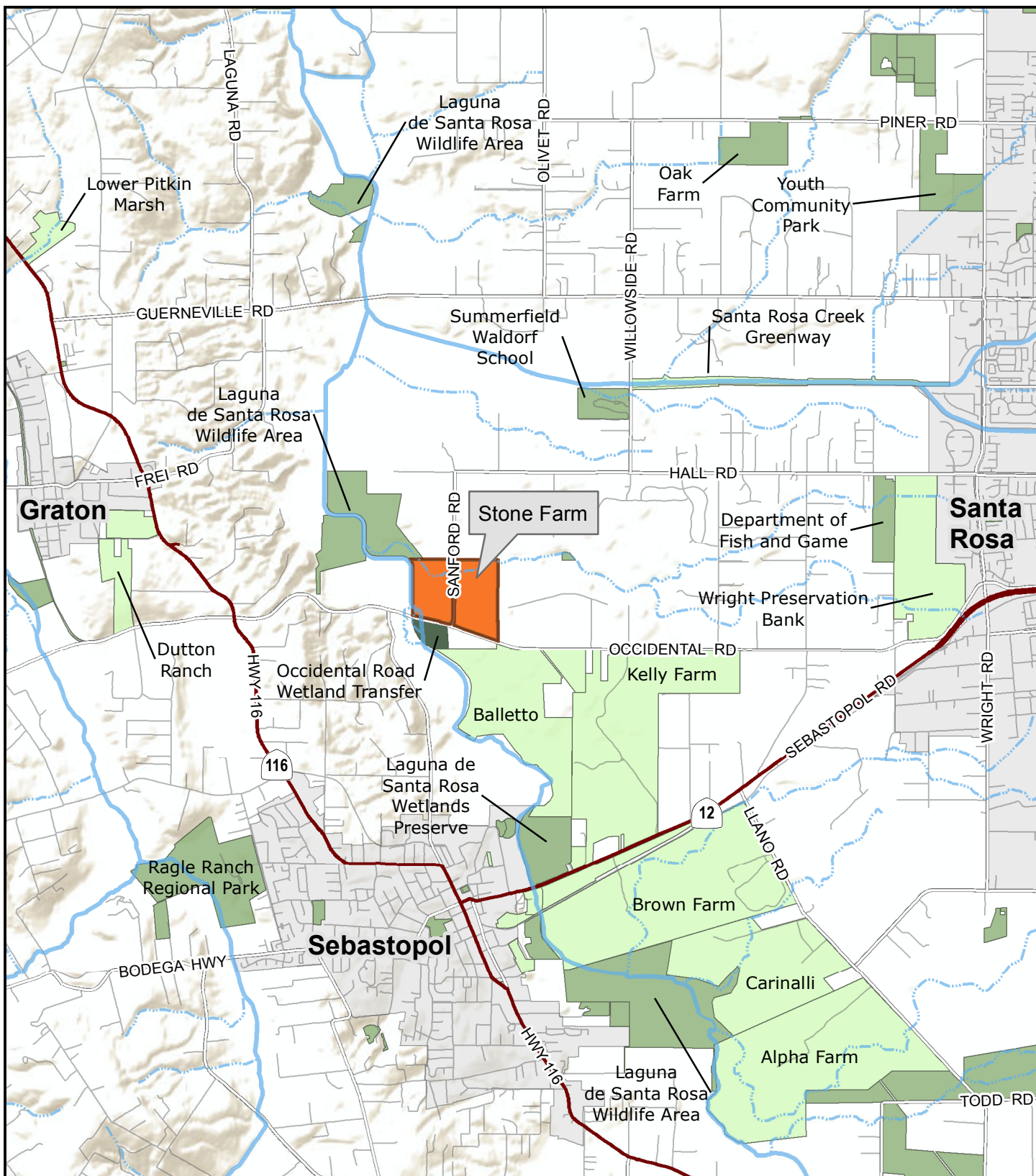
SONOMA COUNTY
AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT

0 250 500
Feet

-  Irwin Creek
Restoration Site
-  Stone Farm
-  Assessor
Parcel



Map Date: 4/26/2016
Sources: County GIS (parcels, streets); SCWA
(streams); NASA/UMD/WSI (2013 imagery)
This map is for illustrative purposes; it is not
intended to be a definitive property description.



Irwin Creek Restoration Matching Grant Location Map



SONOMA COUNTY
AGRICULTURAL PRESERVATION
AND OPEN SPACE DISTRICT



- | | | |
|---------------------|--------------------------------|--------------------|
| Perennial Waterway | District Fee Title | Stone Farm |
| Intermittent Stream | District Conservation Easement | Urban Service Area |
| | Other Protected Land | |

0 0.5 1
Miles

Map Date: 4/26/2016
Sources: CPAD (protected lands); SCWA (streams); County GIS (roads, communities)
This map is for illustrative purposes; it is not intended to be a definitive property description.