

**SONOMA COUNTY OPEN SPACE
FISCAL OVERSIGHT COMMISSION**

COMMISSIONERS

Mike Sangiacomo (Sonoma)
Todd Mendoza (Petaluma)
Regina De La Cruz (Rohnert Park)

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

APPROVED

Minutes for the Meeting of October 5, 2017

Commissioners Present: Todd Mendoza (Chair); Regina De La Cruz (Vice Chair); Mike Sangiacomo, (Chair Pro Tempore); Bob Anderson, Eric Koenigshofer, Jeff Owen (Alternate)

Staff Present: Bill Keene, General Manager; Mary Dodge, Administration and Fiscal Services Manager; Misti Arias, Acquisition Program Manager; Sheri Emerson, Stewardship Program Manager; Kathleen Marsh, Stewardship Coordinator; Robert Pittman, Assistant County Counsel; Aldo Mercado, Deputy County Counsel; Sue Jackson, Deputy Clerk.

1. **Call to Order.**

Commissioner Mendoza 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.**

Mr. Keene made the following announcements:

- The Advisory Committee/Fiscal Oversight Commission field trip will be held on October 26, 2017 from 4:00 – 6:00 pm. Sites visited will be Andy's Unity Park, Colgan Creek, Roseland Creek Community Park, Roseland Village Public Space, and Bayer Neighborhood Park and Gardens.
- The second series of community meetings regarding the Vital Lands Initiative will be held between October 12th and October 21st.
- The Board of Directors approved the District's \$1.88 million purchase of a conservation easement over Hansen Ranch, a 330-acre property on the edge of the Two Rock Valley northwest of Petaluma – October 3, 2017
- The District expects to present the following items to the Board of Directors:
 - The Mark West transfer and Cresta 3 acquisition (joint item with Regional Parks) – October 24, 2017.
 - The Vital Lands Initiative – December 5, 2017.
- The Press Democrat will feature Regional Parks in a special section celebrating Parks' 50th anniversary. The District's collaboration with Parks will be featured in articles about

properties transferred to Parks for future development as parks and recreation areas within Sonoma County. October 8, 2017.

4. **Public Comment.**

There was none.

5. **Correspondence/Communication.**

There was none.

6. **Approval of Commission Minutes.**

On a motion by Commissioner Anderson and second by Commissioner Koenigshofer, the minutes of August 31, 2017, were approved as submitted.

7. **Financial Report.**

Ms. Dodge reviewed the SCAPOSD Consolidated financial Statements for for August 31, 2017. She reported that the Audit will be complete and ready for review in the next two weeks.

Commissioner Koenigshofer commented on the zero balance shown in the Stewardship Fund Reserve line of the Cash by Fund section. He requested that an explanation be included in all Commission financial reports, i.e., that the District realized \$13.6 Million in savings by refunding Measure F Sales Tax Revenue Bonds issued in November of 2007; that the debt was refinanced at a lower interest rate and used the Stewardship Reserve fund to pay down \$30.0 Million on its bonds; that the Commission recommended (Minute Order #13 dated May 14, 2015) that replenishment of the fund begin in FY 2024-25, at \$7.5 million annually for seven years, and that structured payment action would not curtail additional contributions necessary to fully fund the Stewardship Reserve to the amount determined to be necessary at the end of Measure F in 2031. (See also Board of Directors Resolution 15-0241 dated June 9, 2015.)

8. **Ad Hoc Committee Reports.**

- Annual Report/Audit Review (Anderson/Owen) – Nothing to report.
- Finance/Investment (Sangiaco/Owen) – Nothing to report.
- Matching Grant Program (De La Cruz/Owen) – Nothing to report.
- District Office Location Scenarios (Anderson/Koenigshofer) - Nothing to report.

9. **Stewardship Reserve Review.**

Ms. Emerson presented an update of the Stewardship Reserve Fund model. The presentation included refinements recommended by the District's consultant, the Center for Natural Lands Management, and discussions with the Commission's Finance/Investment Subcommittee. Ms. Emerson demonstrated a model for calculating reserve fund requirements based on various portfolio scenarios, and provided recommendations on ways to reduce annual stewardship costs.

This review will be presented to the Board of Directors. The commission recommended that the presentation be shortened. Commissioner Anderson offered to work with staff in the preparation of the Board report.

10. **Mark West Creek Regional Park and Open Space Preserve Initial Public Access Operation and Maintenance**

Mr. Martin presented the Mark West Transfer project, wherein the District will convey the five properties (Cresta 1, Cresta 2, Cresta 3, McCullough 1, Wendle properties) that will comprise the approximately 900-acre Mark West property to the County of Sonoma for operation of the Mark West Creek Regional Park and Open Space Preserve. In exchange, the County will convey to the District a conservation easement which will ensure that the property remain open to the public for low-intensity outdoor recreation. The transfer includes funding of Initial Public Access, Operation and Maintenance. The Commission approved the transactions. The Commission also approved the County's request for \$1,791,716 in District funds for Initial Public Access, Operation and Maintenance.

11. **Closed Session.**

The Commission adjourned to Closed Session at 7:12 pm.

12. **Report on Closed Session.**

Resolution No. 2017-007

The Commission reconvened to Open Session at 7:52 pm. and reported the following: On a motion by Commissioner Anderson and second by Commissioner De La Cruz, the Commission unanimously determined that the cumulative value of the encumbrances at least equals the fair market value of the property, and that the fair market value of the easement interest of the replacement conservation easement is equal to or greater than the fair market value of the easement interest to be rescinded by the District.

13. **Suggested Next Meeting.** October 26, 2017

14. **Adjournment.**

The meeting was adjourned at 8:00 p.m. to a Special Meeting on October 26, 2017 at 5:00 p.m.

Respectfully submitted,

Sue Jackson
Deputy Clerk